Daily Report

East Europe

FBIS-EEU-91-094
Wednesday
15 May 1991

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FBIS-EEU-91-094 *15 May 1991*

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NOTICE TO READERS: On 6 May 1991, the DAILY REPORT will begin phasing in new radio and television sourcelines that reflect how a station identifies itself. This change eliminates the "Domestic Service" and "Television Service" designations in favor of the station identification as broadcast. The presence of a new sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Prime Minister Nano Views Democratic Tradition

LD1505043691 Belgrade TANJUG in English 1921 GMT 14 May 91

[Text] Ljubljana, May 14 (TANJUG)—Albanian Premier Fatos Nano said on Slovenian television this evening that the democratic tradition in his country had been restored and that no excesses would be allowed.

"The political accord on the work of our government and the Presidium of the National Assembly will greatly contribute to this, [words indistinct].

When asked how the economy would be saved, Nano said that the "Albanian authorities will not decide on shock therapy, because that would be detrimental to Albanian society."

"The approach to market economy will be competely Albanian and at the same time in keeping with European standards," said Nano.

Speaking on privatization, Nano underscored that new methods of work with foreign partners and amongst ourselves should not [words indistinct].

Asked what would happen to Kosovo in the event that Yugoslavia were to disintegrate, Nano said that "Yugoslavia should never break up." "All problems from the past which have not been resolved, should be settled jointly within the framework of European processes and in accordance with European ideals."

Franko Kroqi, a democratic Party deputy in the Albanian parliament, also participated in the talks.

On the fate of socialism, Kroqi said that he did not believe in it "because it is not a system by which our people (?develop)."

Kroqi, who as the candidate of the democrats defeated president Ramiz Alia in the parliamentary elections, assessed that the ruling Party of Labour would gradually have to yield to pressures by democratic forces in Albania.

In the end they will have to concede defeat and surrender the (?entire) development of the state to democratic forces, Kroqi told Slovenian television this evening.

PPSh Paper Views Party Program

AU1405190591 Tirana ZERI I POPULLIT in Albanian 7 May 91 p 1

[Editorial: "A Program for a Thoroughly Renewed Party"]

[Text] On 5 May, alongside the communique on the meeting of the 17th Central Committee plenum, ZERI I POPULLIT published the draft program of the Albanian Workers Party [PPSh]. This document, distributed within the party a few days earlier as part of the preparations for the 10th Congress, was published in response to the demand of the wider public that is interested in the path on which the PPSh has embarked and the democratizing changes it has undertaken.

Certain elementary questions are quite normal concerning even the most ordinary program. What does it represent? What is it based on and what does it bring? Who prepared it, and whose seal does it bear? And so on. This is especially the case when it is a matter of the present draft program of a party like the PPSh with its own road, its efforts and achievements, its experience, but also its mistakes, its urgent demands, and its readiness to be new and to respond to the developments of the times and the situations that arise.

Therefore, what does this new program represent, whose draft is now in all our hands? The main thing is that it represents a further extension of all the changes that the party itself has prepared and undertaken in recent years, both in its own activity proper and in other fields of the platform it presents and defends. It is also a further extension of the program that the party presented in the campaign before the People's Assembly elections. As is well known, this platform won general support not only in the party but also among the broad masses of working people and among different strata and age groups, support that materialized in the 31 March elections.

Thus, this program is in a sense not entirely new, that is, it is not unexpected. It is not "turning over a new leaf." It began to assume its shape a long time ago, at least as long ago as the eighth Central Committee plenum, which gave the green light to many developments and essential changes that gave impetus to the most positive democratizing processes. In this intensive activity, the PPSh had its own primary role until yesterday as the sole political party in the country, and still does today, as the most authoritative political force that strives for democracy solely through democratic means. This program, therefore, was ushered in by the times in which we live, and by developments at home and abroad, in the East and the West, and in Europe and the world. It was not drafted in offices or within a few days, but in real life, to respond to what the people want: faster development, the overthrow of the disgusting bureaucracy and of privileged officials, the clumsiness of apparatuses, and the activation of people's free initiative, their views, and their work. The PPSh indisputably deserves credit for preparing this democratic climate, which nothing can diminish, least of all the nihilistic hysteria that arises on all sides. Comrade Ramiz Alia has his own honored place in this contribution as the initiator and most zealous agent of these developments, and as the PPSh's leader so far. This intensely reformed draft program is also his direct contribution, as is the draft party statute that has been sent to the grass roots for discussion and comment.

Programs are of value when they respond to the times and when they are sincere in what they say. Of course, the future will be the surest touchstone. However, assurance begins with an analysis of the past, evaluating the

good things, and maintaining a sharply critical attitude toward the shortcomings and errors, identifying the causes and what was responsible. In this program, the PPSh expresses clearly and strongly that it is "determined to conclusively dissociate itself from every mistake of the past, from the restriction of democracy in socioeconomic and party life, from the duplication of party and state offices, from administrative methods of command that spawned and fostered bureaucracy in the apparatuses and among the people in power, from privileges and the elevation to responsible posts of incompetent people who did not enjoy the confidence of the masses, which led to their alienation from the people and sullied the party's prestige, and from violations of human rights and sectarian standpoints in the name of the class struggle." The same must be said about our party's determination to dissociate itself from the dogmatism and subjectivism that originated especially in the models for the economic and social order that were adopted for our circumstances and were heavily influenced by different countries of the East.

The party's renewal has in fact begun, because it is inseparable from all the changes that are taking place in the country's social and political life and in people's mentality and psychology. However, this program goes further in the extent of the fields it covers, from ideological, political, economic, and social fields to foreign policy. In this context, major tasks inevitably face party services and organizations and all the party's members, because renewal must extend much further not only in breadth, but in depth, and impartially. It therefore requires great dedication and a high level of awareness, so each member will make a maximum contribution to further strengthening the content of our party's activities and the quality of its ranks. This has been and remains the desire and demand of the people, which must be acted on consistently and without hesitation, now or never.

Good programs come to life when they are applied. This is our main front. We have endless things to do. It is entirely possible to achieve the serious commitment of the party's masses to the serious problems facing the country, because this is the only way of genuinely purging bureaucracy and the bureaucrats, getting rid of corruption and those who are corrupt, wherever they may lurk, overcoming the crisis and reestablishing stability, and recovering the wavering confidence of a section of the people.

It is clear to everybody that the party's renewal is threatened by many opponents within and outside the party. It is threatened by the propaganda of the opposition that purposely and openly declares the impossibility of such a renewal, and it is hampered by the conservatism that we have still not sloughed off. It is also hindered by certain shadows of doubt in certain strata and levels of the party that are active. However, this vital process is above all threatened by the antiquated methods we still encounter every day, which must be forcefully thrust aside, however and among whoever they may appear. How often we come across a kind of torpor in the organizations of the party and its district apparatuses. How can we go on waiting for what the Central Committee or the district committee will say on every matter? What is this top-to-bottom structure that the mechanical transmission of directives and instructions will never get rid of? How can we explain this abandonment of the mass organizations, especially the youth organization, on the basis of the idea that they are separate bodies? Lack of cooperation with them, while considering them as equals, means the party's isolation.

Times have changed. There is no longer only one party, but several. Each of them tries to be the standard-bearer, but in the circumstances through which the country is passing, in the times that gave rise to them, and with the policies they have, not all of them can fulfill this role. However, our party is the party of the majority and the party that will form the government. Nevertheless, the party, not only at the center but also everywhere in the districts and at the base, will no longer be the partner of the state services. On the contrary, it will be their strong opponent in defending people's interests, under the laws of the state, opposing all injustice and arbitrariness, and rising up with even greater strength than the opposition. In this way, the masses will support us and the party will be invigorated and renewed.

The draft program we have in our hands is open to everyone's comments. Every idea and comment will be welcomed, so it may be improved even further and may anticipate the times that are to come with clear thinking and with a firm conviction of the turning point we are recording.

Vulkov's Meetings in Japan Reported

AU1405203191 Sofia Domestic Service in Bulgarian 2000 GMT 14 May 91

[Veselka Marinova report from Tokyo]

[Text] The second day of the official visit to Japan of the Bulgarian delegation led by Viktor Vulkov, deputy prime minister and minister of foreign affairs, has ended.

[Begin Marinova recording] Today Viktor Vulkov and Finance Minister Ivan Kostov were received by Japanese Prime Minister Toshiki Kaifu.

The two Bulgarian ministers also had a meeting with Foreign Affairs Minister Taro Nakayama. Thus the talks at the foreign minister level, which were interrupted more than 10 years ago, were resumed.

In the last two days the Bulgarian delegation had talks with the Japanese ministers of finance and of international trade and industry, as well as with representatives of business circles. Opinions were exchanged on measures of encouraging cultural exchange and cooperation in the spheres of education and science. So far the talks have shown that the Japanese side is very-well informed about the political and economic changes in Bulgaria. The two countries' willingness to expand contacts in all spheres was stressed. [end recording]

SDS Opposition Deputies Quit Assembly

AU1405133691 Sofia BTA in English 1304 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—Thirty-nine M.P's of the Union of Democratic Forces (SDS) walked out of parliament today. They appealed to the president to time new parliamentary elections as soon as possible.

The majority of SDS M.P's (a hundred people) stressed in a declaration that they understand the reasons for the action of their radically-minded colleagues. At the same time, they declared that they will remain in parliament because it is the very place "to fight the decisive battle for a change of the political and the economic system." "Not every kind of anticommunism is democracy, says the declaration of the opposition M.P's who remain in parliament.

Opposition Responds to Walkout

AU1505073791 Sofia BTA in English 1924 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—Today 39 MP's of the Union of Democratic Forces [SDS] walked out of the Grand National Assembly. They are representatives of the Democratic Party, the Radical Democratic Party, the United Democratic Center and some other SDS organizations and are advocates of the neo-liberal course. Among them there are party leaders and outstanding figures in the opposition: Stoyan Ganev, Aleksandur Yordanov, Elka Konstantinova, Stefan Savov, Mikhail Nedelchev, and Ventseslav Dimitrov.

If we return to parliament, we will form a new parliamentary group, one of them told the press.

After the 39 MP's walked out, the response of the remaining 100 SDS MP's of the Bulgarian Social Democratic Party [BSDP], the Nikola Petkov Bulgarian Agrarian Party, Ecoglasnost, and the Green Party confirmed the differences between the radical and the moderate wing within the SDS. Those who left parliament demand that the president sets a date for the new parliamentary elections as early as June. Those who remained want elections after the new constitution is passed. The MP's who walked out today fear that the present 400-seat parliament, dominated by the Socialists (ex-Communists), may pass a constitution containing "antidemocratic traps."

The majority of the SDS MP's (a hundred people) stressed in a declaration that they understand the reasons for this step of their radically-minded colleagues. At the same time, they declared that they will remain in parliament because it is the very place "to fight the decisive battle for a change of the political and economic system." "Not every kind of anticommunism is democracy," says the declaration of the opposition MP's who remained in parliament. This sounded as a hint of the consequences of the actions of the 39 MP's.

The MP's who walked out of parliament stressed once again today that their decision was not a signal for exercising extraparliamentary pressure, but above all a moral act. They declared their support for the president and the government. They believe that parliament gives the Socialists (ex-Communists) grounds to claim they are changing. Radical thinkers are apprehensive of a Soviet-style perestroyka.

A foul scenario is being prepared for Bulgaria, intended to separate it from the other countries of Eastern Europe, Mr. Aleksandur Yordanov of the Radical Democratic Party told journalists, motivating the actions of his colleagues. Both he and Mr. Stoyan Ganev of the United Democratic Center were removed from the leadership of the parliamentary faction of the SDS a few days ago.

A representative of the BSP [Bulgarian Socialist Party] called the act of the 39 MP's "antidemocratic," and the MP's themselves—"ultra-right." The leaders of the BSDP and the Nikola Petkov Bulgarian Agrarian Union, which formed the "SDS-Center" as a counterbalance to the neo-liberal bloc to which the 39 belong, made rather sharp statements with accusations against their colleagues who walked out of the Grand National Assembly.

Reports from the country show that not all supporters and members of the BSDP and the Nikola Petkov Agrarian Party approve of the line of their parliamentary groups. Some accuse them of conciliation with the BSP.

Podkrepa Stand on Tripartite Commission, Elections

AU1405190191 Sofia BTA in English 1802 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—"The Podkrepa Labour Confederation will not attend the meeting of the Tripartite Commission (the government, the trade unions, and employers) scheduled for tomorrow," Podkrepa's Vice President Oleg Chulev told a BTA reporter today in the lobby of parliament.

He believes that nothing special will happen tomorrow, designated by some newspapers as "Day X." This is also the opinion of representatives of the 39 MP's of the Union of Democratic Forces (SDS) who walked out of parliament today.

Mr. Chulev said that Podkrepa will withdraw from the Tripartite Commissions at all levels because two of the confederation's demands have not been met: Concerning the property of the Confederation of Independent Trade Unions, and a clear mechanism to remove the intermediate-level business nomenklatura. Podkrepa issued a declaration recently which fixed May 15 as the deadline by which the government should meet its demands.

Though denouncing the agreement on social peace, Podkrepa will not call a national strike or take any other action, according to Mr. Chulev. "But it will no longer try to tone down local strikes which have become quite frequent of late," he added.

The opposition MP's who signed the declaration of the 39 MP's deny having coordinated their actions with Podkrepa leaders. But they do not conceal the fact that they rely on its prestige and flair for the social moods of the Bulgarians. According to them, Bulgaria's only chance to emerge from the present apathy and to speed up changes is to have new parliamentary elections held soon.

The 39 opposition MP's will not take part in the work of the parliamentary commissions either. They went away to hold their own meeting under exclamations of approval from the people gathered in front of the house of parliament.

The 39 MP's will tour the country to meet with the voters because they have already started an election campaign. They expect considerable support from the rally which will be held in Sofia on Thursday, and mainly from the SDS National Conference on May 19. "We insist that everything should be quiet and civilized," stressed Ms. Elka Konstantinova, leader of the Radical Democratic Party.

In the lobbies the 39 MP's re-confirmed their support for the president and the government. They believe the government will cope with the situation during the two months of the run-up to the elections.

Fatherland Labor Party on Turkish Minority Issue

AU1405203391 Sofia BTA in English 1930 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—An average of fifteen Bulgarian families move every month from the town of Kurdzhali to other regions in this country. "In the last few months Bulgarians of a Turkish national identity have been settling en masse in Kurdzhali, Khaskovo, Varna and other regions in southeast Bulgaria," Mr. Mincho Minchev, leader of the Fatherland Party of Labour (OPT) in Kurdzhali, told a news conference here today. Besides, more than 3,000 Bulgarian Turks living in nearby villages have registered as Kurdzhali residents so as to increase the constituency of the Movement for Rights and Freedoms (DPS) prior to the local elections in this town in which Bulgarians are a minority.

Mr. Minchev described these processes as "pieces of the mosaic of Turkish nationalism." According to him, they are masterminded by the DPS. The OPT considers it an anticonstitutional party registered in breach of the law because it was set up on a religious and ethnic basis.

A draft for a Council of Minister's decree was made public at the news conference of OPT leaders. It proposes that Bulgarian citizens who applied for foreign-travel passports in the second half of 1989 should get back the property they sold. At that time more than 300,000 Bulgarian Turks and Muslims went on a "trip" to Turkey, after selling their property dirt cheap.

It will take 107 million leva (two million dollars) to compensate the "tourists" from the Razgrad region alone, the leader of the OPT local branch said.

The OPT will organize a series of token strikes (for the time being) and other protest actions against what OPT representatives described as a "genocide against all that is Bulgarian" in mixed-population regions. OPT leader Rumen Popov criticized sharply all state institutions and political forces for neglecting national interests in the name of party goals. He protested against attempts to implant a "guilt complex" into Bulgarians in mixed-population regions who feel like foreigners in their own country.

BSDP's Military Program Presented

AU1405090091 Sofia SVOBODEN NAROD in Bulgarian 9 May 91 p 3

[Krum Slalov article: "For a Highly-Professional Patriotic Army"]

[Text] "We are the only party that is developing its military program," chairman of the Bulgarian Socialist Democratic Party [BSDP], Dr. Petur Dertliev, said on 8 May. Neither the government, nor the Ministry of Defense, has such a program yet. It has also been highly rated by eminent military personnel."

Later, while sharing his view that anybody wanting security must have a healthy, loyal, patriotic army, he called upon party expert on military questions Colonel Tsvetan Timev, who had made the greatest contribution to the program's creation, to speak. Right at the beginning Colonel Timev emphasized that "military force still remains a decisive means of maintaining the sovereignty and national security of the country." As he set out some of the basic principles, situations, and motivations contained at the core of the program that he had developed, he pointed out that a new concept also needed to be worked out for Bulgaria's national security. In addition to this, it was necessary to optimize the whole security system to perfect its structure from an organizational and functional point of view. However, as Colonel Timev said, for the time being our legislation has still to deal with the problems connected with the country's national security and defense.

"Radical military reform is necessary in connection with actually updating guideline documents on military doctrine and strategy. Social policy in the Armed Forces requires specific attention. We must move towards an accelerated setting up of a professional armed force employed on a contract basis, and, in line with that, look for international support and guarantees in strengthening national security."

On the question of the BSDP's relations to the government and the legislature, Dertliev said that if we were not to stand behind the government at the moment and thus leave it without legislative support, then the economic reform would be slowed down by at least six months, and this would seriously undermine the faith held in Bulgaria by those from whom we are expecting help in stabilizing the economy. We must now quickly complete the new constitution and basic laws and in a legislative fashion move towards a general election as soon as possible.

In connection with the forthcoming national conference of the Union of Democratic Forces [SDS] on 19 May, the BSDP leader said that he expected it to be a consultative conference where the wishes and intentions of the blue opposition's followers and sympathizers would be aired. As for the question of the setting up of SDS clubs, Dertliev emphasized that if these clubs remained within the union and were controlled by the coordinating municipal councils, then the BSDP applauded their appearance. "However, we categorically oppose the setting up of a parallel formation with a vertical structure outside the present structure of the SDS," Dertliev stressed. To the question which is arousing journalistic curiosity at present on the breaking away of the Program Alternative Club from the BSDP last week, and aligning itself with the New SDP [Socialist Democratic Party], Dertliev answered that there is always ferment in a party—sometimes healthy and questing, but other times it is simply the outcome of efforts to display personal or group success. "Every party must be able to accept and lose members. We need organizations like the New SDP (and also, before them, the Non-Marxist SDP of Yanko Yankov) so people who have joined us in error can leave," the BSDP leader emphasized.

Soviet Envoy Views Bulgarian-Soviet Treaty

AU1405143191 Sofia BTA in English 1358 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—"If Bulgaria wishes, the future Bulgaro-Soviet treaty may have the following clause: 'in case of aggression against any of the two sides the other side is obliged to do away with the consequences of this aggression,'" Mr. Viktor Sharapov, Soviet ambassador to this country, said today in connection with the bilateral treaty which is being worked out. According to him, it can be described as a treaty on friendship, cooperation and security.

He added that the document should be based on an equality of rights, interests and guarantees. He believes it will not be unnatural if the treaty contains military clauses such as: "No military threat shall emerge on the territory of one of the sides against the other" and "none of the sides shall enter into an alliance with a state or bloc of states which are inimical to the other side."

The views of the Soviet side are identical with 80 percent of the clauses which the Bulgarian side drew up and submitted for consideration. However, no consultations have been held at foreign-ministry level yet.

First Quarter Trade Statistics Published

AU1405102491 Sofia BTA in English 0829 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—According to data released by the Central Board of Statistics, Bulgaria's trade in the first quarter of 1991 totals 11,248,300,000 leva.

Imports exceed exports by 705,300,000 leva.

Most of Bulgaria's exports went to the developed industrial countries, they account for 38.6 percent of her total trade and amount to 2,021,400,000 leva. Bulgaria exported products to her partners of the former CMEA to the value of 1,853,500,000 leva, the so-called developing countries account for 26.5 percent of the country's exports.

Machines and industrial equipment come up to about one-third of the value of exports, industrial consumer goods account for 15.6 percent, chemicals for 13 percent. Bulgaria exported fuel, minerals and metals totalling 651,700,000 leva, or 12.4 percent of the total export value.

In the first quarter of 1991 Bulgaria imported mainly fuel, minerals and metals, which account for 56.8 percent of total imports; machines and industrial equipment come up to 21 percent.

Most of Bulgaria's exports was destined for the USSR and the United States: The goods exported to the USSR total 1,597,600,000 leva, to the United States

405,900,000 leva. Then come Greece, Germany and Turkey (their share in the value of exports amounting to about 290 million each). The value of exports to Great Britain, Italy and Japan varies between 150 and 170 million each.

The USSR kept its position of the biggest importer in this country in the first quarter of 1991 too; imports from the USSR total 3,045,000,000 leva. Soviet imports exceed Bulgarian exports to the USSR two-fold.

The goods imported from Germany total 414,400,000 leva, from France 369 million leva, from Libya about 268 million and from Pakistan about 220 million.

As there is some difference in the currency exchange rates, statisticians do not recommend to compare this year's trade with that realized in the same period last year.

Stoichkov's Chernobyl Trial Adjourned

AU1305195991 Sofia BTA in English 1715 GMT 13 May 91

[Text] Sofia, May 13 (BTA)—Today the panel of judges trying the "Chernobyl" case adjourned the next hearing for June 17. Upon leaving the court room, the counsel for the prosecution Ms. Milka Boyadzhieva was heard telling Mr. Krasimir Zhekov, prosecutor in the trial against the ex-No 1, Todor Zhivkov: "I'm treading your path, I'll be pensioned off with this trial." Other sources also supposed that the trial will take quite a long time.

The two defendants in the "Chernobyl" trial are the ex-chairman of the Governmental Commission for Management of Natural Disasters and Major Industrial Accidents Grigor Stoichkov, and the ex-Sanitary Inspector General Prof. Lyubomir Shindarov. They are charged with mishandling the effects of the accident at the Soviet nuclear reactor. The trial was adjourned after the panel found some of the defence's claims justified. The claims concern the objectivity of the appointed forensic examination and other issues.

Stoichkov's defence claimed that three of the appointed experts were not unbiased as they had been interrogated during the preliminary proceedings and insisted on their replacement. The new date is also doubtful as it is uncertain whether one month will be enough for the possible three new members to get familiar with the records and with the matter in general. The panel had overruled the prosecutor's request to call those three persons as witnesses, arguing that they had already been summoned as experts.

At the same time, the panel rejected the defence's demand to appoint an international forensic examination. The panel's conviction is that there are enough specialized institutions in Bulgaria, able to give a competent opinion on the effects of the Chernobyl accident here.

Those witnesses who so far failed to appear in court, including the ex-No 1 Todor Zhivkov and the former Chief Secretary of the Council of Ministers Ivan Shpatov, will be subpoenaed for June 17. The interrogation of four new witnesses as well as confrontations have been scheduled for June 17-18.

Former Minister Ovcharov's Trial To Resume

AU1405135791 Sofia BTA in English 1245 GMT 14 May 91

[Text] Sofia, May 14 (BTA)—The trial of Stoyan Ovcharov, former minister of the economy and planning, will be resumed on June 3. The charge brought against him is that in 1989 (a few days before Zhivkov's ouster), he arranged for Zhivkov's grandson to be educated in Switzerland at the state's expense in violation of the law.

The trial, which started on February 25, was adjourned twice because an important witness working at the Bulgarian Embassy in New Delhi until recently failed to appear in court.

It became known today that Mr. Enyo Komitov, Ovcharov's lawyer, who also appears for the defence in the Chernobyl case, has filed with the Supreme Court a written request for referring new evidence.

Russian Federation's Yeltsin Continues Visit

Addresses Deputies, Signs Declaration

LD1405142191 Prague Domestic Service in Czech 1300 GMT 14 May 91

[Jan Kulhavy report from the Federal Assembly building in Prague]

[Excerpt] The joint session of the two chambers of the Federal Assembly was opened at 1410 by First Deputy Chairman Zdenek Jicinsky. But let us first go back in time.

At 1230, Russian Supreme Soviet Chairman Boris Yeltsin addressed representatives of deputies' clubs. Among other things, he assured our deputies that the process of democratization in his republic is irreversible and, contrary to some thinking on the subject, the strengthening of Russia's position is not aimed at breaking up the Soviet Union. He also announced that he and Federal Assembly Chairman Alexander Dubcek have signed a joint declaration as a statement by two constitutional officials on the further development of relations between our federations and nations.

Now on to the 15th joint session. So far the deputies have discussed the agenda and amendments to it. The most important one was, quite logically, the anticipated proposal to incorporate into the agenda a separate issue with the working title: The Reconstruction of the Federal Assembly Presidium. The proposal was tabled by Deputy Benda, but neither of the chambers approved it. The opinion of the majority was expressed by Deputy Zalezakova when she said that the legislature had to discuss more important issues such as the reconstruction of the economy, culture, and so on rather than the restoration of its Presidium. The voting on the changes to the agenda ended a short while ago with the deputies agreeing to first discuss the steps of achieving a unified resolution of the Chamber of Nations on the government-proposed bill of amending the land ownership regulations and on the bill on the Czechoslovak News Agency [CTK]. [passage omitted]

Calls For Bridge to West

LD1405155491 Prague CTK in English 1400 GMT 14 May 91

[Text] Prague May 14 (CTK)—Russia together with Czechoslovakia wants to play the role of a bridge between the East and the West, Russian Federation President Boris Yeltsin told deputies of the Czechoslovak Federal Assembly (parliament) today. Yeltsin said that Czechoslovakia and Russia participate in the construction of a European home and the boundaries of European economic integration should therefore not be fixed aong the Urals.

Russia has never promoted the disintegration of the Soviet Union, on the contrary, it sees its future in the restoration of the union of sovereign states. Russia resolutely dissociates itself from the past system of domination and imperial supremacy, Yeltsin said.

Yeltsin refused the use of force in international relations and recalled that the Prague Spring of 1968 was a Czechoslovak challenge to the totalitarian system and strongly influenced world events. Though these Czechoslovak efforts were grossly suppressed, the 1968 events in Czechoslovakia greatly influenced Russia, and in his opinion initiated the activity of such opponents of the totalitarian regime as Andrey Sakharov and Aleksandr Solzhenitsyn.

Yeltsin said that Czechoslovakia and Russia have to solve many similar problems, especially in the economic field. He expressed the conviction that his visit to Czechoslovakia is a milestone in the development of relations between Czechoslovakia and Russia, and that both countries will successfully overcome the totalitarian heritage and gain worthy places in the world community.

Prague Visit Viewed

LD1405183591 Prague Domestic Service in Czech 1600 GMT 14 May 91

[Text] Boris Yeltsin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, ended his visit to Prague this afternoon. At this moment he is continuing his visit to Czechoslovakia with meetings and talks in Bratislava. Petr Voldan followed his agenda in Prague:

[Voldan] If the morning meeting between Boris Yeltsin and Petr Pithart and Dagmar Buresova—that is, the Czech representatives—was quite substantive in content and results, part of the afternoon visit to Prague was a return to broad diplomacy. As an example of the results of the talks, I would like to mention the fact that on 20 May our experts are to go to Moscow to prepare the formation of the corporation Russian House [Rusky dum] with their partners. The seat in Prague and branch in Moscow are intended to help economic contacts.

At 30 minutes past noon, the computer display of the number of deputies present in the Federal Assembly was wavering around 100. Boris Yeltsin described his address to the deputies as a festive event at a joint session of the chambers, while other sources stated that it concerned deputies clubs; thus some uncertainty in the management of the visit was manifested. In Yeltsin's speech, which was far from that of a stormy radical, the interesting words from the historical viewpoint were those of appreciation of the aid given by pre-war Czechoslovakia to the thousands of Russians who emigrated after 1917. Handing over a symbolic gift—a picture of a silver birch coppice—Yeltsin said that this is a custom which prevailed during the period of stagnation, as they say in the Soviet Union, but he added that this is also a Russian custom. The guest described the joint statement on basic relations and cooperation signed by himself and Alexander Dubcek as an important declaration for the future development of contacts.

During Yeltsin's news conference at the Old Ruzyne airport, journalists were interested in everything—TASS was interested in whom Boris Yeltsin actually addressed in the Federal Assembly, and Russian television, for obvious reasons, was interested in the concrete contribution the visit will have for the inhabitants of that Union republic. Yeltsin said that there should be deliveries of our surpluses—he mentioned grain, butter, and meat—to the Russian Federation. Oil will also soon be administered by the republic, withing two months at most. The republic will therefore have more freedom in making decisions about it. For us, this should certainly not represent a worsening of trade.

So, if we summarize Yeltsin's visit, despite a certain diplomatic tension that preceded it, the visit took place in a calm atmosphere, unusual for Boris Yeltsin. Clearly, he has begun his preelection battle for the post of Russian president. After talks in Bratislava in the evening Yeltsin, returns to Moscow.

Yeltsin Leaves Prague for Bratislava

LD1405142591 Prague Domestic Service in Czech 1330 GMT 14 May 91

[Text] Boris Yeltsin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, today left Prague for Bratislava. He was seen off at Ruzyne Airport by Alexander Dubcek, chairman of the Federal Assembly.

Welcomed in Bratislava

LD1405161291 Prague Domestic Service in Slovak 1500 GMT 14 May 91

[Text] Boris Yeltsin, chairman of the Russian Supreme Soviet, arrived in Slovakia this afternoon, where he was met at Bratislava airport by Olga Keltosova, deputy chairman of the Slovak National Council. Boris Yeltsin then met with representatives of the highest bodies of the Slovak Republic at Bratislava Castle . When the talks are over, he will meet journalists and lay flowers at Slavin cemetery. Boris Yeltsin's stay in Czechoslovakia will end this evening.

Holds News Conference

LD1405182791 Bratislava Domestic Service in Slovak 1630 GMT 14 May 91

[Text] Boris Yeltsin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, arrived in Bratislava this afternoon. My colleague Michal Michalcik, who returned just a few minutes ago from the news conference with the chairman of the Russian Supreme Soviet, has been following the agenda of his stay in our country.

[Michalaik] Boris Yeltsin is now attending a gala dinner given in his honor by Slovak Prime Minister Jan Carnogursky. As for his agenda this afternoon, the talks at Bratislava Castle took place first. They concerned two sets of issues: economic cooperation and constitutional issues. After 23 April, when President Gorbachev signed with the highest representatives of nine union republics a treaty on the principles of the future setup of the Soviet Union, powers were shifted from the union authorities to Russian enterprises, agencies, and institutions. According to Yeltsin, this is a fundamental prerequisite for economic cooperation between the Russian Federation and Slovakia, between our enterprises. This issue, which was already touched upon—the establishment of a joint Russian-Slovak bank—was, indeed, also discussed. According to Yeltsin, nothing stands in the way of implementing this plan. Agreement on a joint bank might be signed as early as during the visit of Frantisek Miklosko and Jan Carnogursky to Moscow, where they were invited by Boris Yeltsin.

In the course of the second part of the discussion, the two sides exchanged information on reform processes in our country and in the Soviet Union, in particular on the drafting of a new union treaty and on the drafting of a state agreement between the Czech and Slovak Republics. Boris Yeltsin behaved in quite a diplomatic manner during the press conference, which lasted over 30 minutes. He was, however, very satisfied with his talks in Prague and Bratislava. In response to my first question on what role he feels the Russian Federation should play, Yeltsin said that Russia was always a part of Europe. It was the totalitarian system that wrenched Russia from the continental setup. In this context, he voiced an interesting idea that in light of their geographical situation, Russia and Czechoslovakia could be some kind of a bridge connecting Europe and Asia.

When I asked what connects him with and what divides him from President Mikhail Gorbachev, Boris Yeltsin said: There is nothing personal between Gorbachev and Yeltsin. Only their stances in different periods differ. Yeltsin again repeated that in January, February, and March he—and not only he—was rather concerned about the deviation of President Gorbachev from the trend of perestroyka and about the efforts of some rightist forces and also of the Army and the KGB to reinforce their positions. Since 23 April—that is, since the agreement on the principles of the constitutional setup was signed—according to Yeltsin, everything has been all right. He also said that he and President Gorbachev now have more in common than they have differences.

Another interesting issue was whether he sees a potential opponent and a candidate to the post of Russian president in Nikolay Ryzhkov, former Soviet prime minister. Yeltsin was again diplomatic and said that he would prefer to speak about his own intentions and plans. I have a very good preelection team, but unfortunately I have agreed that I shall present my election program only on the 18th, prior to the registration, he said.

Boris Yeltsin will leave Bratislava for Moscow at 2000.

Prospects for Cooperation Viewed

LD1405205291 Prague CTK in English 1810 GMT 14 May 91

[Text] Prague May 14 (CTK)—Czechoslovak Federal Assembly (parliament) Chairman Alexander Dubcek and President of the Russian Supreme Soviet Boris Yeltsin signed today a declaration on relations and mutual cooperation between Czechoslovakia and the Russian Soviet Republic today.

The declaration says the two sides will consult each other on major international issues of common interest and will cooperate in international organisations in which they are or will be members. They commit themselves to work for the peaceful settlement of international conflicts and for the development of democratic political systems, and will cooperate to help create a single European security, economic and legal zone.

Czechoslovakia and the Russian Republic will work to promote modern forms of trade exchanges and mutually advantageous economic and technological cooperation. Therefore they will support direct contacts between enterprises and private entrepreneurs.

The declaration mentions cooperation in environmental protection and in the development of cultural relations and contacts between political parties and movements, churches and religious communities, trade unions and other organisations. It emphasises protection of human rights and basic liberties.

The two sides pledge to set up offices representing their interests on a reciprocal basis at a future date to be mutually decided on.

Before leaving for Bratislava, the capital of Slovakia, Yeltsin told journalists today that his current visit to Czechoslovakia should be a symbolic start on a new path for Czechoslovakia and Russia, in both political and economic cooperation.

In comments on trade between former socialist countries Yeltsin said he expects a clear decision within two months on the division of Soviet and Russian jurisdiction over trade exchanges. "I can say that oil which comes out of Russian soil will be Russian, so it will also be our means of payment for buying from you corresponding quantities of products from lists which we have already provided", Yeltsin said. He did not specify the kind of products contained in the lists.

Asked to comment on his chances of being elected president of the Russian Republic, Yeltsin said he would not run for the office if he did not believe he would win.

He said he was informed about controversies between the two republics forming the Czechoslovak Federation, Czech and Slovak. He does not want to interfere in their internal affairs but only to exchange experiences, as the Soviet Union is now in a similar situation with some republics wanting independence.

Czechoslovak Foreign Minister Jiri Dienstbier and Foreign Minister of the Russian Republic Andrey Kozyrev signed a protocol on cooperation between their foreign ministries.

The protocol says they will hold consultations at least once a year on questions of bilateral relations and major international issues.

Visit Ends After 'Interesting' Talks

LD1405204291 Bratislava Domestic Service in Slovak 1930 GMT 14 May 91

[Text] Boris Yeltsin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, arrived in Bratisalva today. During his discussion with Boris Yeltsin, Slovak Prime Minister Jan Carnogursky highlighted his contribution to the process of eliminating the factors that could hamper good coexistence in a common European home.

Boris Yeltsin described as very interesting the talks between the Russian delegation and Slovak Republic representatives. According to him, they agreed on direct cooperation between the Russian Federation and Slovakia. They also agreed to draft a specific program for this cooperation. The Russian politician explained this by citing the similarity of problems involved in drafting new constitutions on a new democratic basis.

In the evening Boris Yeltsin ended his two-day official visit to Czechoslovakia and departed by air for Moscow.

Havel Spokesman Details Federation Draft Treaty

LD1405010691 Prague Federal 1 Television Network in Czech 1730 GMT 13 May 91

[Text] At the press briefing held at Prague Castle today, Presidental Spokesman Michael Zantovsky acquainted reporters with the draft agreement on the constitutional setup of Czechoslovakia submitted by the Czech side during the 10 May talks at Lany. In the agreement, which would be concluded by the two National Councils, the citizens of the Czech Republic and the Slovak Republic would express their will to live in a common state, the Czech and Slovak Federal Republic. Each of the republics would be able to abolish the common union only on the basis of direct expression of the will of its citizens attained by a general ballot. The 16-point draft agreement says, among other things, that the two republics respect each other's sovereignty and the sovereignty of the CSFR. The fundamental law of the CSFR is its constitution, which will be adopted by a one-chamber Federal Assembly and which can be amended only on the basis of agreement of both republics. A citizen of each of the two republics is at the same time a citizen of the CSFR. The main body of federation's executive power will be the government of the Czech and Slovak Federal Republic, says the draft agreement inter alia. Michael Zantovsky noted that the form of the agreement or the treaty and not its content was discussed first and foremost. Experts will study the Czech proposal as well as the proposals submitted by Public Against Violence

and Christian Democratic Movement for the next two weeks, which is the time when another similar meeting is due to take place in Slovakia.

Carnogursky Outlines Lany Constitution Talks

AU1505085991 Bratislava SLOVENSKY DENNIK in Slovak 13 May 91 pp 1, 2

[Interview with Slovak Prime Minister Jan Carnogursky by Marian Bednar; place and date not given: "Hopeful Steps in Lany"—first paragraph is SLOVENSKY DENNIK introduction]

[Text] A working meeting involving representatives from the Slovak, Czech, and Federal Governments and legislatures was held in Lany on 10 May at the invitation of CSFR President Vaclav Havel. The aim of the meeting was to eradicate the political question marks associated with formulating new and higher-quality concepts for the constitutional arrangement. Although the Christian Democratic Movement [KDH] is one of the most active proposers of concepts for the CSFR's modern constitutional arrangement, we were interested in the point of view of its chairman, Slovak Prime Minister Jan Carnogursky, on the results achieved in Lany.

[Bednar] Mr. Prime Minister, the communique read out by President Havel at the end of the meeting offers hope that very serious consideration is being given to a state treaty or to a legal document. However, we are interested in your evaluation of the course of the meeting itself and of its outcome.

[Carnogursky] First and foremost, definite progress was made at the Lany meeting in the sense that the Czech side also agrees—along with the united Slovak political representatives—that the federal constitution should be preceded by a treaty between the Slovak and Czech Republics implemented via the National Councils. On the other hand, some questions concerning the treaty's inclusion in the overall constitutional framework and the subsequent supervision of adherence to the treaty still remain open.

[Bednar] We are interested in how the KDH foresees the treaty's inclusion in the overall constitutional framework. Could you give us more details on the movement's ideas for this?

[Carnogursky] At the meeting we came up with a proposal that the Federal Assembly should adopt a constitutional law on preparing a new constitution in which it would be stated that the National Councils will conclude such a treaty. In making this proposal for the promulgation of a Federal Assembly constitutional law, we were a little inspired by constitutional law No. 70/1968 on preparing a federal arrangement which—at that time—in fact established the Czech National Council as the Slovak National Council's partner in creating a federal arrangement in 1968. By putting forward this constitutional law on preparing a new constitution, we intended to do our best to deal with the objections emanating from the Czech side—that concluding a treaty would mean violating the state's legal continuity. This Federal Assembly constitutional law would emphasize the state's legal continuity even more.

[Bednar] What were the points of view adopted by individual political groups toward this KDH proposal?

[Carnogursky] The Slovak side agreed with it; the Czech side raised an objection emanating from the fear that, if the National Councils do not agree on the contents of the treaty, this law could block the way to adopting a constitution.

[Bednar] You have also mentioned a second problem immediately connected with supervising adherence to the treaty. Could you characterize the points of view adopted by the Czech and Slovak political representatives?

[Carnogursky] At an internal consultation involving the Slovak participants in the Lany meeting, we came up with the suggestion that the constitution be subject to ratification by the National Councils, because it is assumed that the treaty between the Slovak and Czech Republics cannot be too detailed. It will only contain the principles of the constitutional arrangement and a basic division of jurisdiction. We tried to make it clear that, even at that time, it would be impossible to make the treaty more detailed. Therefore, it is necessary to set up a control mechanism to make sure that the federal constitution—drafted on the basis of the treaty—also corresponds to it. The best control mechanism for ensuring harmony between the constitution and the treaty would be ratification. The Czech side did not agree to this proposal. Therefore, no agreement has yet been reached.

[Bednar] The Lany meeting is behind us. From the point of view of future prospects, can we be pessimists or optimists?

[Carnogursky] A great deal was said about the fact that things could look different when the drafts themselves and the contents of the treaty are submitted. For this reason, two expert commissions will be established in the next few days. One, composed overwhelmingly of lawyers, will prepare a specific draft treaty and the other, composed of economic experts, should be more specific about the minimum economic jurisdiction that the federation has to have to ensure that it is able to function at all. So, as you see, a constructive dialogue is continuing.

[Bednar] What kind of representation will there be in the individual commissions?

[Carnogursky] There will be Slovaks and Czechs in them, but we did not manage to define their composition. Because the commissions will not vote, they do not have to have parity representation. Nominations of experts are expected from the Slovak and Czech sides in the next few days.

Pithart Comments on Lany Meeting

AU1505084291 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 13 May 91 pp 1, 2

[Interview with Petr Pithart, Czech Republic prime minister, by Frantisek Lauer in Lany on 10 May: "The Prime Minister in Rain Drops"—first paragraph is CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY introduction]

[Text] The Czech Prime Minister Petr Pithart was one of the participants of the Lany meeting. Although just as tired as the others, and despite the time of night, he did not refuse a short interview that took place outside in light rain.

[Lauer] Mr. Prime Minister, how many proposals did the Czech side present at this meeting?

[Pithart] We termed them preliminary preparatory texts, and there were two of them. The intent was an orientation, we wanted to find out whether we are talking about the same thing. We knew that they are texts that must pass above all through political parties, movements, and clubs in the National Council. They were purely working plans.

[Lauer] How satisfied are you with the general course of the meeting? What was the biggest hindrance?

[Pithart] We agreed that we would talk about the negotiations as a whole. Nevertheless, there were some controversial issues that we did not manage to settle. One example is the idea that the approved constitution, adopted by the Federal Assembly, would have to be ratified by the National Councils. A consensus has not been reached on that one, it is one of the open issues.... As is often the case, the meeting looked well at times, and badly at other times.

[Lauer] Could the problem you mentioned, for instance, make you unable to reach a consensus?

[Pithart] I do not believe so. Our idea of the structure of the federal bodies includes a federal council that would have the right to suspend the laws adopted by the legislature, and it would basically perform the function that this proposal assigned to the National Councils in the form of an additional ratification. In this case, we think that it would be a federation based on word of honor. It would mean that basically with every law, we would take the risk that the National Councils, or at least one of them, would not ratify it, and we would be practically constantly on the verge of a crisis.

[Lauer] Hence, you are not at the same stage of negotiations as you were at the beginning?

[Pithart] Certainly not.

[Lauer] What is the nature of this progress?

[Pithart] We agreed to recommend that the process of adoption of the constitution begin at the republic level. Thus, we would not have to make any concessions because it does not concern a state treaty in the sense of international law but a purely intrastate one. We have also always insisted that the Federal Assembly must not be eliminated in any stage of the process of adoption of the constitution, and it is not.

[Lauer] Has the possibility been considered of adopting a constitutional law on the method of adopting a constitution?

[Pithart] Yes, it was considered, but it seems to us that it is connected with certain risks. That is, if the National Councils did not agree on the principles, the process of adoption of the constitution would probably be blocked at the very beginning. Moreover, according to the constitution in effect, both National Councils have the initiating right anyway.

[Lauer] In the afternoon, the Slovak and the Czech representations met separately. Did it help?

[Pithart] Every opportunity to confer played its part today. The Slovak side was very united, and that must be appreciated, for at the earlier meetings it was often split. The reason why we needed to consult more was because our side was not as united. A consensus was reached, however, on the principal issue.

Dubcek Discourages Restructuring of Assembly

LD1405032191 Prague Federal I Television Network in Slovak 2018 GMT 13 May 91

[Statement by CSFR Federal Assembly Chairman Alexander Dubcek on the Federal Assembly Presidium reorganization issue in Prague on 13 May—recorded]

[Text] In my opinion, it is not the best idea. Several members of the Presidium are gone and must be replaced. This issue should be settled by the political board according to the new law on the order of procedure. This topic is discussed often all around the Republic. I asked my deputies and others how to reconstruct the Presidium, whether anybody introduced a single name, a single proposal how to reconstruct the Presidium. The most important issue is dealing with the economic reform and the position of the courts prosecution offices. In my view, the beginning and the end of everything is the Czechoslovak statehood. It is necessary to settle now, clearly, the position of this Republic not only in our country but also its international position. Everything else will follow from this. If we do not settle this, what will remain from democracy? What will happen after that? These matters ought to be included in a program rather than concentrate on the issue whether to replace this or that official. Elections are to be held in a year, and why should all this pressure be exerted already today to fill a position and to support a candidate who seems to have a majority on his side? Considering the difficulties this legislature had—many deputies have been inexperienced but had a goodwill to do their best—it fulfilled its task: Within a year and a few

months, we have become a member of the association of the parliaments of Europe, which nobody dared to hope for. In my view, the rest of the problems should be settled when we again face our people, who will pass their judgement.

Parties Divided on Issue

LD1405032591 Bratislava Domestic Service in Slovak 1930 GMT 13 May 91

[Text] CTK asked the representatives of a number of political parties and movements to make their views known on whether, in their opinion, the Federal Assembly Presidium ought to be reconstructed, and if yes, why and what changes should take place.

The representatives of the Christian Democratic Movement, Public Against Violence, the Party of the Democratic Left, and the Green Party say they find no reason for the reconstruction of the legislature. On the other hand, the Slovak National Party, the Club of the Movement of Democratic Slovakia, and the political Coexistence Movement called for the reconstruction of the legislature. The Civic Movement does not think that a basic reconstruction should take place, and the Civic Democratic Alliance is of the same opinion. The Society for Moravia and Silesia thinks that the Presidium of the Federal Assembly ought to be reconstructed.

Pithart Interviewed on Conflict With Kubat

AU1505065891 Prague MLADA FRONTA DNES in Czech 11 May 91 pp 1, 2

[Interview with Czech Prime Minister Petr Pithart by Jindrich Stepanek in Prague on 10 May: "Just Tough Gestures"—first paragraph is MLADA FRONTA DNES introduction]

[Text] The dispute between Czech Prime Minister Petr Pithart and Czech Agriculture Minister Bohumil Kubat increases in intensity daily. Therefore, yesterday we asked the prime minister how he would like to resolve this conflict.

[Pithart] This is not a conflict, but an irreconcilable misunderstanding. The government's Economic Council has on many occasions requested an agricultural concept from Minister Kubat. First of all, he put off everything several times, and what he later submitted did not meet our expectations. We were interested in an agriculture policy concept directed at the countryside and comprehensible to it. Of course, it would also have to be accepted by the countryside. The ways and means of Mr. Kubat's work are another source of our misunderstandings. I have rarely been in dispute with him as far as aims are concerned. However, this almost always happens as far as his methods are concerned. His methods in personnel policy were rash; he mostly underestimated those whom they involved. He acted in a partisan manner. If anyone has the impression that it is possible to struggle against mafias in a partisan manner alone, he is profoundly mistaken. In short, Minister Kubat's methods were reminiscent of the old regime's methods. This also applies in instances when he proceeded against the so-called old structures. Tough gestures are no longer a guarantee of an effective course of action.

[Stepanek] What is your opinion of the minister's scandalous speech in Slusovice?

[Pithart] Let us try to separate the contents from the form. The minister knows that his opportunities for intervening in the cooperatives' everyday operation are very limited. It is the same with the government. This does not mean that his ministry should not participate in uncovering certain practices that verge on criminal behavior. I will not characterize his speech; I consider it to be unfortunate. A minister's public appearances should conform to certain formal behavior.

[Stepanek] How do you view the post of agriculture minister in the future?

[Pithart] This does not only depend on me. This is a matter for agreement among the coalition parties. In this sense, we—along with the Civic Democratic party [ODS]—found a solution six weeks ago. Engineer Cervinka came here on Minister Klaus' recommendation. I asked him to draft an agricultural concept. At the same time, I had the feeling that I wanted a lot from him, because the entire department had worked on the concept submitted by Minister Kubat. Engineer Cervinka considerably surprised me when he drew out his concept from his briefcase. Now he has come up with a concept for managing agriculture. I am not an expert, so I let people I trust have a look at the first draft. All of them expressed their respect for it. In short, I have a solution to the post of agriculture minister. It is an ODS and Civic Movement solution; now the Civic Democratic Alliance—of which Mr. Kubat is a member—and the Christian Democratic Party are also entering into it. They unfavorably associate Minister Kubat's presence in the department with the persistent pressure on the old structures. I do not doubt for a moment that if Engineer Cervinka was appointed minister, he would proceed just as persistently—but more effectively—in this regard.

[Stepanek] The proposal has to be approved by the Czech National Council Presidium. Do you have any idea when it will be approved?

[Pithart] I would be glad if this happened next week.

We then asked Engineer Josef Cervinka, member of the ODS and head of the Agriculture Ministry's regional office district workplace in Bruntal, about his concept for agriculture. "I proceed from the assumption that our state will not be able to build farms on green meadows in the foreseeable future. We have state farms and cooperatives from which completely new enterprises capable of surviving in the developing market have to be established. State farms can no longer function in this form. In my opinion, family farms can be established in the

border areas. There are owners there who can return. As far as the cooperatives are concerned, it is necessary to return their property and to consistently privatize what remains. Everything has to belong to someone. The general principles of the transformation law must also apply in the privatization of cooperatives. Following the owners' registration, the cooperatives themselves must prepare and run their own transformation program."

Agriculture Coalition Against Kubat's Recall

AU1505070491 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 11 May 91 p 2

["(mak)"-signed report: "They Support the Minister"]

[Text] Prague—Members of the Coalition for Radical Economic Reform in Agriculture held a meeting in Prague yesterday. In connection with the current situation in his ministry, Czech Deputy Agriculture Minister R. Bartak said—among other things—that it is difficult to work conceptually while constant pressure is being exerted from the most senior positions for Minister Kubat's recall. He is, allegedly, being called upon to resign for ethical and political reasons. R. Bartak asked a rhetorical question: "Should a man struggling for the completion of the anti-Bolshevik revolution who refuses to agree with moderately totalitarian laws have to step down?" He replied that he would be the first to protest against the minister's recall. During another part of the meeting, the speakers aired their views on the draft land law that will be discussed in the legislature in the very near future. At this juncture, V. Tlusty expressed his view that the draft fulfills the ideas contained in the "3T" version concerning restitution in 85 percent of cases; as far as the cooperatives' transformation is concerned, it does not fulfill their intentions. He objected to the fact that a concept which—according to him—represents a left-wing deviation from the original intentions will triumph.

[Prague MLADA FRONTA DNES in Czech on 11 May on page 2, under the headline "Just Tough Gestures," carries a 250-word Jindrich Stepanek report on the same meeting. According to the report, a news conference was held after the coalition's meeting at which its members were asked to comment on Prime Minister Pithart's proposal for changes in the Czech Agriculture Ministry. Stepanek continues: "From the replies, it became apparent that the Civic Democratic Party has made no claim to this post; however, if it was offered to the party, it would prepare its own candidate. Whether Engineer Jozef Cervinka is a suitable candidate was not discussed yesterday. However, the coalition partners' view is that replacing the minister at the moment would be a political mistake. The participants in the coalition meeting also adopted a statement in which, among other things, they demand that supporters of crypto-communist views should no longer propose or influence the adoption of laws. Therefore, they demand that the Federal Assembly Presidium be restructured and that some employees from the Federal Economy Ministry and other ministries be recalled"]

DS Sets Conditions for Staying in Coalition

AU1305202191 Bratislava NARODNA OBRODA in Slovak 7 May 91 p 2

["am"-signed report: "The Democrats' Secret; Conditions for Staying in the Coalition"]

[Text] Bratislava—Democratic Party [DS] Central Secretary Peter Missik's and other DS representatives' meeting with journalists yesterday concerned primarily the DS's three conditions for staying in the government coalition.

It insists, first and foremost, on the government's adherence to radical economic reform leading to a market economy, while respecting, naturally, the regional and structural interests of Slovakia. The other condition is the equality of all coalition partners regardless of the number of their seats in parliament. According to the DS, this problem should be resolved by the signing of a specific agreement. The third and perhaps most important condition is the DS's corresponding representation in the government.

Asked by NARODNA OBRODA what the DS understands by this term, P. Missik replied: "Two ministerial seats plus approximately three deputy ministers." The DS holds only the post of minister of industry at present. As the formation of a Slovak Ministry of Transportation and Communications is foreseen for the near future, the post of minister should be filled by a person proposed by the DS.

Questions concerning the drafting and the passing of constitutions were also in the center of attention. DS representatives were invited to the 10 May talks with the CSFR president. As Mr. Missik told us, they are going there with their own secret. He went on to explain that they gravitate toward the Christian Democratic Movement's proposal [for a state treaty between the republics as a foundation of the federal constitution] but have some divergent ideas. They favor the drafting of constitutions from the bottom up and advocate the arrangement of relations in the state by means of a treaty.

[Bratislava PRAVDA in Slovak on 7 May on page 3 carries a 250-word Frantisek Melis report on Missik's news conference. The report quotes Missik as saying that at a 23 April meeting of the 38-member DS Executive Committee, 28 members voted for the DS's staying in the coalition, 8 voted against, and 2 abstained.]

Democrats Urge 'Consensus' in Federation Setup

LD1305235691 Prague CTK in English 2027 GMT 13 May 91

[Text] Bratislava May 13 (CTK)—A spokesman for the Slovak Democratic Party (DS) said today the DS is "for a pact between the Czech and Slovak Republics that would

spell out the basic principles of the form of the federal constitution, but ... (it) must at the same time have a legal character". DS Central Secretary Peter Missik said the party rejected the idea of accepting a political declaration which need not necessarily be respected by the federal parliament, adding that once a new constitution is created it should not become valid until it is ratified by both the Czech and Slovak parliaments. Slovak political representatives insist, according to Missik, that "if someone wants to join with someone on the basis of equality in a common state, it can be done only through agreement and consensus". He also discussed the issue of screening public figures for past collaboration with the Communist-controlled StB secret police, repeating the DS's statement made in January that it supports vetting of persons holding key posts in state administration. Missik said the most important thing for the DS is that legal norms, which would rule out any doubts as to whether or not someone actually collaborated, be accepted as soon as possible. Already during negotiations on the composition of the Slovak Government last January the DS was calling for the vetting process to be carried out quickly, he noted. The DS is represented by two ministers in the Slovak regional government.

Stresses Need for Jurisdictional Talks

LD1405024991 Prague Federal 1 Television Network in Slovak 1730 GMT 13 May 91

[Text] The representatives of the Democratic Party expressed their view at a press briefing today on the results of 10 May talks in Lany. The Democrats said that they see as their contribution to solving this problem the fact that they initiated the idea on the only possible path toward adopting all three constitutions either by amending the valid constitutional law or by adopting a new one. The representatives of the Democratic Party also emphasized that they support creating a joint state of the Czechs and Slovaks while maintaining the sovereignty and self-determination of the Slovak nation. The principles of the constitutional setup and the definition of the jurisdictions should be the main content of discussion on a treaty between the Czech and the Slovak National Councils. In their view, however, the definition of jurisdictions will be the greatest area for conflicts between the Czech and Slovak political representations.

Slovak Democratic Left Issues Policy Document

AU1305201091 Bratislava PRAVDA in Slovak 7 May 91 p 3

["(ur)"-signed report: "What the Party of the Democratic Left Is Striving For"]

[Text] A document called "What the Party of the Democratic Left [SDL] Is Striving For" was discussed at the SDL Central Committee session on 27 April. Following an internal party discussion, the document will be submitted to the SDL congress.

The document—which in individual sections expresses views on both internal party issues and also on economic, social, cultural, and foreign policy issues—states right at the beginning that the SDL is not a party of the "communist type" and that it rejects "any kind of philosophy pertaining to a violent struggle for power. We acknowledge democratic socialism as well as the international movement for the struggle for freedom, social justice, and solidarity," continues the introductory part of the document.

The SDL characterizes itself as a party that wants "to express and assert the interests and needs of people and their families who lived and still live from the results of their labor." At the same time, as a republican organization it is following up on the ideals and traditions of "people's and workers' movements," it is striving for a law-governed state, parliamentary democracy, and the utilization of various forms of autonomy, and it is in agreement with the "separation of church and state." It also "acknowledges cooperation with democratic forces." As far as economic issues are concerned, it rejects the "attempts to return to a bureaucratic-centralist economic model" and is striving for a "democratic and socially and ecologically oriented market economy." "We are in favor of the complete transition to a market economy that can only be successful if it does not exceed the limits socially acceptable to the citizens of Slovakia." As far as the education, culture, and science spheres are concerned, the SDL—among other things—is pushing for "education in the spirit of the most modern scientific methods and universal moral values." In the social sphere, the SDL is in favor of "an active policy of state employment" and of "an improvement in health care on the basis of social insurance. The political changes in Central and Eastern Europe have opened up new opportunities for organizing this part of the world on the basis of mutual trust between peoples and states. We could squander this historic opportunity. Therefore, it is necessary to complete Slovakia's social and economic transformation along democratic principles," concludes the SDL policy document.

Its complete text will be carried in the 19th issue of the weekly NOVE SLOVO [NEW WORD].

Dubcek on Status in VPN After Movement's Split

AU1405212191 Bratislava NARODNA OBRODA in Slovak 8 May 91 pp 1, 2

[Interview with Federal Assembly Chairman Alexander Dubcek by unidentified CTK reporter in Prague on 11 May: "To Which Current Do You Belong?"]

[Excerpt] [passage omitted] [CTK] While you were in Australia and New Zealand, the Public Against Violence [VPN] civic movement held its assembly at which it split. Which faction will you join?

[Dubcek] I tried to do everything I could to prevent interference with the leadership of the Slovak Government and with the composition of the government in

general in the present period between the elections because I foresaw that this could not be of any benefit—not only as regards the political scene in Slovakia but in the broader context as well. Unfortunately, my endeavor was to no avail. Even before departing for Australia and New Zealand, I issued a statement in which I called for a civilized [kulturny] development on the Slovak political scene, for compliance with the law and constitutional procedures, and for a course of action corresponding to the interests of our people. A similar position was also expressed by members of the "For a Democratic Slovakia" club of deputies.

[CTK] Well then, which current will you join?

[Dubcek] Two clubs of deputies within the VPN's framework were set up even before the last assembly, and I was not a member of either one of them. As chairman of the Federal Assembly whose assignment it is, in my opinion, to seek consensus between individual political parties and groups, I should stay above these affairs. I want to live up to my task and mission of assisting in the discussion of additional important problems of our life by giving preference to the interests of our republics and our federation rather than to the interests of individual political groups. [passage omitted]

Meciar Claims Presidium Member Former Agent

AU1405160391 Bratislava PRAVDA in Slovak 10 May 91 p 2

[Frantisek Melisa report: "Meciarites at the Start; Has Ivan Carnogursky Been a State Security Collaborator?"]

[Excerpts] Bratislava (From our correspondent)—Principal policy targets were discussed at the 8 May meeting with the press of the leadership representatives of the For a Democratic Slovakia [ZDS] movement. The chief spokesman was the movement's chairman, Vladimir Meciar, and he was assisted by Michal Kovac, Rudolf Filkus, and Milan Knazko. [passage omitted]

Vladimir Meciar reiterated his already well-known opinion regarding screening, i.e. on its legislative form. In addition, he said that he had in his hand a file of a State Security agent, a member of the Slovak National Council, that he passed on to the Council's chairman, Frantisek Miklosko, as long ago as last July. The document was studied in the presence of Jan Langos, federal minister of the interior. On the basis of the authenticity of the data in the file, he informed Jan Carnogursky, chairman of the Christian Democratic Movement, who represents in the Slovak National Council [SNR] Presidium the movement of which the deputy in question is a member, thus effecting his resignation.

"It is not true," the former prime minister of the Slovak Republic said, "that I spoke about these issues on an airplane; I said it directly to that deputy in the SNR Presidium. I expected that if such a serious accusation is raised against its member, it must be investigated, and the SNR plenum should be informed. The known facts have never reached the Presidium, and the public is disinformed. Therefore, I recommend that the Presidium examine who is registered in the State Security files as agent 20,275. It will be of a great interest to the Slovak political scene, even shocking," Vladimir Meciar stressed, and he added that it is not secret information because when he said it to that gentleman, he looked him straight in the eye and had to tell him the truth.

Considering that what has already been heard from Vladimir Meciar on account of Ivan Carnogursky and the latter's unconvincing, even frightened defense against these attacks in the media, it may imply that the first deputy chairman of the Slovak National Council is the agent referred to. There is no doubt that Meciar has access to that agent's file because he had it on the table during Wednesday's press conference. He used it to refresh his memory as he quoted the aforementioned number. The die is cast. Whichever member of the Presidium it may concern, the information is of such a grave character that it should be investigated. Either it would be quashed, Vladimir Meciar proven a liar, and the insulted person would have the right to demand satisfaction in the court of law, or it would be confirmed and then the person in question should resign not only from the Slovak National Council Presidium but from the deputy post as well.

StB Agents Involved in Pro-Meciar Rioting

AU1405172891

[Editorial Report] Bratislava SLOVENSKY DENNIK in Slovak on 13 May on pages 1 and 2 carries a 900-word Rudo Prochazka commentary entitled "....And So Little Was Needed." The commentary discusses the activities of Vladimir Meciar following his dismissal from the post of Slovak prime minister on 23 April and accuses him of trying to destabilize the Slovak political scene. The commentator mentions that three of the five people who were detained during the pro-Meciar demonstration in front of the Slovak National Council building on 24 April for their "aggressive" and "violent" behavior turned out to be "former StB [State Security] members." Prochazka regards this fact as "not very surprising" since "the ex-prime minister was very fond of using the services of former StB members and did so often." Prochazka also discusses Meciar's use of his involvement with the StB in the struggle against his political adversaries. In this context he says: "Last week Meciar again started to pull out from his sleeve dirty trump cards [reference to Meciar's 8 May news conference where he accused Ivan Carnogursky of having been an StB agent] and, making use of false documents on which he very purposefully stocked up as Slovak minister of interior, is again trying to defile [his political adversaries] and spread allegations, acting in the intentions in which Stalin's posthumous children had trained him in Moscow a quarter of a century ago while he was zealously sucking his political mother's milk at the Komsomol academy. Politically bankrupt people such as [former interior ministry and StB officials] Ciklamini, Demikat, Svechota, and others are supposedly ready to

supply, on Meciar's instructions, some compromised journalists about whose collaboration with the StB Meciar has records up his sleeve with new documents. This, then, is Mr. Meciar's notion of a constructive opposition."

Social Democrats' Deputies Club Established

LD1405204791 Prague Domestic Service in Czech 1100 GMT 14 May 91

[Text] The Club of Deputies of Social Democratic orientation has established itself in the Federal Assembly. As Deputy Jozef Wagner, secretary of the Social Democrats, informed journalists today, the club consists of eight deputies elected for Civic Forum, some of whom are now members of the Czechoslovak Social Democratic Party. For example, the party is preparing a draft bill on the transformation of agricultural cooperatives, because this point is not to be included within the land bill.

Civic Movement Club Elects Presidium

AU1405103191 Prague LIDOVE NOVINY in Czech 10 May 91 p 2

[CTK report in the "News From Home" column]

[Text] At a session of the Civic Movement [OH] Club, the deputies elected a new presidium. It is headed by J. Sokol, while J. Soukup is a deputy chairman. R. Sormova, P. Kucera, and L. Vrchovsky are members.

Markus on Matica Slovkensa Involvement in Politics

AU1405151591

[Editorial Report] Bratislava NARODNA OBRODA in Slovak on 8 May on pages 1, 8, and 9 carries a 1,600-word interview with Jozef Markus, chairman of the Slovak National Heritage Foundation [Matica Slovenska], by Viera Vojtkova and Stefan Zilka. The interview, the place and date of which are not given, deals, among other issues, with the "political element in the activity of the Slovak National Heritage Foundation and its role in the political turmoil of present-day Slovakia."

Asked about the Foundation's involvement in politics, Markus says that the organization "is above party affairs, which does not mean that it is apolitical." He continues: "From its beginning the Slovak National Heritage Foundation has always been a political institution as well, in the sense that whenever it defended Slovak national rights and interests and sought to integrate Slovak national forces it logically entered the sociopolitical dimension. Even the Slovak language, despite being primarily a cultural phenomenon, has, from the times of the Austro-Hungarian Empire, been a political factor.

"In its program, the Slovak National Heritage Foundation clearly strives for plurality in the life of Slovak society, for a ramified social life with a variety of political currents. One of the conditions of such a development is, however, certain national unification. Besides Slovak as the state language, this involves, in fact, only one more issue, that of the sovereignty of Slovakia. Even though this is only one issue, it encompasses a whole range of problems. The position of the Slovak National Heritage Foundation on sovereignty is clear cut—99 percent of our members are at one on this issue. We accentuate the fact that our national development at this sharp turn of history must result in sovereignty and this goal allows us to integrate various political and social currents in Slovakia. We cannot duck public, that is, political life when it comes to the issue of sovereignty but, at the same time, we do not want to, and must not, determine in advance the exact shape of the state's constitutional arrangement because neither the idea nor the reality of the sovereignty of Slovakia predetermine its shape.

"On the practical plane, the Foundation's being above party affairs must be seen in the fact that it will never become involved in the electoral contest, that is, in the struggle for power and the division of power."

In one of their questions, the interviewers point to the Foundation's declining popularity in the latest public opinion polls and ask whether the "surprisingly low confidence" that the Foundation commands is not a result of its "expressions as a political subject." In this context they mention the Foundation's association with an ongoing signature-gathering campaign for Slovak independence (the sheets reportedly contain the Foundation's address); the "misuse" of rallies organized by the Foundation by "some political parties, movements, and individuals" that seek an independent Slovakia modeled on the 1939-1945 Slovak state; and the presence of flags of the fascist Hlinka Guards at Foundation-sponsored rallies.

Markus replies that he does not believe in public opinion polls and that he regards the growing number of the Foundation's members and the reactions that the organization receives as more reliable indicators of its popularity. As for the charge that the Foundation's activists include advocates of the World War II Slovak State, Markus replies that a return to the Slovak State and its regime is "neither realistic nor desirable." He adds, however, that "I agree with those who say that it is necessary to distinguish between the state and its regime." Markus also denies that the Foundation is involved in a current signature-gathering campaign for Slovak independence. Even though the sheets of paper say that the votes would be counted by the Foundation, the campaign is organized by a "civic initiative that never had anything in common with the Foundation." As for the presence of flags of Hlinka Guards at the Foundation's rallies, Markus replies that until very recently he did not even know what the flag looked like. He admits, however, that "it is necessary to seek adequate ways of responding to such things." He does not specify what he means by "adequate ways."

Finance Minister Kupa on Economic Situation

AU1505111691 Budapest MAGYAR HIRLAP in Hungarian 13 May 91 pp 1, 8

[Interview with Finance Minister Mihaly Kupa by Ilona Kocsi; place and date not given: "Too Many Compromises, Too Few Decisions"—first two paragraphs are MAGYAR HIRLAP introduction]

[Text] Mihaly Kupa is optimistic. If you mention the possibilities open to Hungary's economy, he will give you an extremely optimistic answer. Mihaly Kupa is irritated and nervous. If you mention government work, he will easily lose his temper.

He is aware of the fact that there are few tangible results. Yet some intensive work should be done right now. Mihaly Kupa is resolute. If his economic plan is crossed, he is prepared to do anything. He would even be prepared to throw in the towel as a last resort—but only as a last resort....

[Kocsi] Upon your recent return from Washington, you spoke about the creation of a new financing system. Since then, we have had no indication of the nature of this system.

[Kupa] Hungary has to be brought onto the world market, onto international money markets, and it would be more constructive to apply for loans here than to "enjoy the support" of international organizations.

[Kocsi] You also stated that important creditors were prepared to work out a new financing policy for Hungary.

[Kupa] That statement was made by the political state secretary to the Finance Ministry [Peter Kiraly], who was assessing his experiences in Japan. If we reach the stage where the Germans and the Japanese are investing capital in Hungary, then we will develop different financing structures to the ones we would have if we simply issued bonds abroad. Bonds are admittedly cheaper than credits from the IMF, but they are more expensive than if somebody brings capital into Hungary, either directly or in the form of a bank. That is why we encouraged the influx into Hungary of German banks and bank capital at our talks in Germany.

[Kocsi] The Hungarian Government has repeatedly stressed that it will service its debts with exactness, but you have also mentioned that it would be unfair if bad debtors were given preference over reliable debtors. You were probably referring to Poland....

[Kupa] Not necessarily, because a lot of countries have had their debts forgiven through the Brady Plan and other debt relief solutions. What I wanted to say—and this was something where I had everybody's support—was that those who service their debts with exactness should be given at least as much consideration as those who do not service their debts. Indeed, they should be given more consideration—this point also met with approval.

[Kocsi] What will the consequences be for us?

[Kupa] There will be two consequences. If we service our debts and declare our intention to do so, investors will trust us and invest in Hungary. The second consequence is as follows: International financial organizations have started asking themselves what they will do with those countries that service their debts and thereby take on huge burdens, which in turn weigh down their economies. At their annual autumn general assembly, the IMF and the World Bank will come to a conclusion on the kind of tactics or strategy that they should use.

[Kocsi] What solutions could come into question?

[Kupa] One possibility is that we could be brought onto the markets with the assistance of international organizations and the world's seven leading capitalist countries. Another possibility is that they could guarantee the necessary reserves for the introduction of a convertible currency in Hungary. Thus, Hungary could start behaving the same way as Austria on the international money market.

[Kocsi] I do not quite understand that. A large number of Hungary's current problems stem from our depressing debt situation. Does this mean that the situation will remain the same, that there will be no easing of the debt situation?

[Kupa] If we can get out onto the international markets, we will be able to sell our products, we will have greater revenues, and consequently, it will be easier for us to service our debts. Moreover, it is cheaper for us to obtain long-term loans on the private market. One of our problems right now is that we have no access to long-term loans at advantageous rates, and that is why we have to turn to the IMF. This is the trend that we need to reverse.

[Kocsi] Is it with the support of the IMF and the World Bank that we will be able to refrain from taking up loans from these organizations?! That seems rather strange....

[Kupa] The world is facing a significant liquidity crisis at the moment. The funds that developed countries could use to finance other countries are diminishing. The Germans have to finance their Eastern provinces, as well as certain problems in the Soviet Union's economy and trade. The Japanese have less money for the aforementioned purposes because they are financing the consequences of the Middle East war. Under such circumstances, international financial institutions only finance countries that are incapable of entering the market. That is why it is clearly in their interest to bring onto the market those countries that deserve to be there. They could create an image of Hungary that would convince even private investors that it is worth their while to bring capital into Hungary. In this way, they could break out of

a deadlock. Money is becoming increasingly valuable, whereas so-called real estate, factories, and so on, are losing their value. In other words, the later we sell something, the less money we will get for it. When there is a limited amount of money, the value and price of money go up. The slow progress of Hungary's privatization represents a daily loss.

[Kocsi] However, the argument that prices will go down if we are too quick in privatization contradicts this.

[Kupa] This is nonsense. The primary goal of privatization is to create an efficient economy, rather than to make money in the process. If we can make a better factory or enterprise in the long run, despite a lower sales price, we should still use this option, rather than selling the enterprises at a higher price and having no development whatsoever there.

[Kocsi] The collapse of Soviet trade is the second great problem facing the Hungarian economy. When the European Bank for Reconstruction and Development [EBRD] was established, you urged it to finance the Soviet-Hungarian trade, as the first of its tasks. One does not hear anything about this proposal lately....

[Kupa] The strategic goals of this bank and its business policy will be ready sometime in June, and these plans will detail the areas in which this bank wants to participate. They must avoid the collapse of economic relations in Eastern Europe: They would have outstanding strategic plans in vain if the economic contacts in Eastern Europe collapsed in the meantime. The new bank also considers bilateral and multilateral accounting systems, but we do not know yet what will actually emerge. Besides, whatever technical solution they might create, it will be worthless if someone does not pay. And the Soviets do not pay.

[Kocsi] The Soviet Union does not pay because it cannot pay....

[Kupa] I am not sure of that. I am aware of the problems there, but I also know that the Soviet Union has very good trade relations with Southeast Asia. In other words, the Soviet Union is selecting the areas where it wants to pay....

[Kocsi] This is probably the reason that the idea has emerged to sell our Soviet assets and let someone else bother with them.

[Kupa] If they do not want to pay and they only keep promising, we must sell our assets to firms that can make use of them. There are such firms, that have more capital and have other types of interests in the Soviet economy.

[Kocsi] To what extent could such an action devalue our assets, and how much less we could get for them?

[Kupa] It is too early to tell. It is customary to say that a 15-20 percent gap is still acceptable in the case of irrevocable debts. However, this will only transpire during negotiations.

[Kocsi] Will there be negotiations?

[Kupa] Quite a few western firms have come forward and said that they would buy our foreign assets if they are for sale and they would then use them for various purchases in the Soviet Union. Of course, we must wait for the negotiations and for the results of the Hungarian prime minister's visit in Moscow.

[Kocsi] In view of all this, you were quite optimistic concerning the Soviet-Hungarian trade when drawing your four-year economic program. Could it be that everyday practice is now refuting all this?

[Kupa] It is our basic interest to maintain long-term trade relations with the Soviet Union, and we must do everything to secure this. It is possible to reach and maintain a certain level as long as the situation does not change in the Soviet Union. Foreign investors will not come to Hungary if they cannot get to other markets, and they always have the Soviet Union in mind. Here is the rub of the whole matter.

[Kocsi] To be on the safe side, investors have now begun examining the chances of survival on the Soviet market....

[Kupa] I think that the situation will be very difficult as long as the Soviet troops are still here, the negotiations continue, and the power structure remains the same in the Soviet Union. We held talks with the Russian deputy premier over Easter, and the first Russian-Hungarian commercial house has already opened. There are promising signs too. Our national interests require that we should keep this market. The Soviet Union will always be here in our neighborhood.

[Kocsi] Although our economic results for the first quarter of the current year are promising, everything is uncertain, as if the success were not adequately founded; thus, with slight exaggeration, one could even say that our economy might even collapse. However, you have been quite optimistic lately....

[Kupa] [President] Arpad Goncz said during his visit in Germany that the Hungarian people were itching to work. The Hungarian people have the necessary determination to overcome the current situation and successfully emerge from the "trough." We can rely on this determination. In addition, the way I see it, the international financial, capital, and investment markets are definitely interested in Hungary today. We must make use of this. If we can coordinate these two things, we can be optimistic. Naturally, for this we must overcome the rambling internal debates.... I know that politicians must always argue, but we should finally have a look at what they are arguing about, and I do not mean here the compensation law, because this is a basic issue.... Besides, in the past 16 months, the Hungarians always produced the best results when politicians did not have time to watch. This is an important addition to success....

[Kocsi] In Germany, you repeatedly stated how good it was that the compensation law had been passed because this would finally enable us to settle ownership relations, and it had become clear that there would be no re-privatization in Hungary. However, here in Hungary, the assessment of the compensation law is not quite as straightforward....

[Kupa] There are two things that I consider to be important in relation to the compensation law. First of all, the compensation law should not represent an unmanageable burden. The law that was passed is just about manageable (only just about, though). However, I did not conceal the fact that I disagreed with several things. I made this clear at the meeting of the Council of Ministers.... Ownership relations have to be settled—perhaps not in this way, but there is no better solution at present. We have to put an end to the whole rehabilitation phase, and we have to look toward the future, at long last. We need to be aware of the past, but we cannot settle 40 or 50-year-old disputes at this stage. I know that there are groups of people who need to receive compensation, but there will be no money for it.... The whole of society should receive compensation. Should we carry on with this procedure for ever? Fundamental ownership relations can be settled. The economy could now move forward. Naturally, this compensation law does have one or two flaws that can be judged from various points of view. It is up to our lawyers to analyze these flaws. However, let us drop this subject, let us talk about the essential instead!

[Kocsi] Why? What is the essential?

[Kupa] There are too many compromises and too few decisions. I am an economist, not a politician, and although not everything is black or white, you can tell whether or not this or that is right. Although we have a determined economic policy that has been approved by the government, others proclaim a totally different Hungarian economic policy—this is something I will not tolerate again. I accepted certain principles for the sake of peace. However, it is unacceptable if the Economic Cabinet (for example) turns into a terminus that is constantly settling a heap of accumulated cases that should have been decided upon at other levels. Unfortunately, other levels fail to settle these issues.

[Kocsi] Could you mention some concrete examples?

[Kupa] Perhaps this does not sound very good, but I will give you an example: Our energy prices should have been settled a long time ago. Hungary is now at a stage where inflation rates could be reversed and launched on a descending phase. A process that has been going on for years could be stopped. However, we are creating inflationary expectations again by settling our energy prices now. That is what is happening, even if we announced it in January. The spiritual and economic consequences are completely different now. However, there are several such cases. I am prepared to admit that politics are a great art, but to replace politics by a policy of not making decisions is a completely different matter....

[Kocsi] Not making decisions?

[Kupa] In economics, decisions have to be made, and then it is up to the politicians to take on or not to take on these decisions. I stated well in advance that economic experts would not act as scapegoats one more time, the way they did in the past. Politicians have to assume responsibility for their postponements. I am not talking about myself. Personally, I could not care less about power. What would happen if I was not minister? Nothing. Hungary is in a favorable position right now, so it has to be driven on. It is now the month of May: Can you tell me what the Hungarian Assembly has done this year? It has compensated.... What else? And what has the Hungarian Government done this year? It has pursued an economic policy. It now needs to work continuously. I did not go abroad so often to travel, but to gather the necessary background for our economic policy. It is a sin to waste time at this stage. We have to make the country work.

[Kocsi] It seems that the expert has tired of politics rather quickly....

[Kupa] No. I have not had enough of politics; I have merely had enough of the way politics are conducted in this country. I want to accomplish—and I will accomplish—what I have undertaken to do. However, I do not like it if somebody wants to do something and does not receive any support (on the contrary).... I do not need to be popular. But if people want to progress, then they have to acknowledge the way forward. When I come back from abroad, I cannot find sufficient words to emphasize how great our chances are. People should not spoil a historic opportunity simply because they live in the 19th century or at the beginning of the 20th century, or because they do not understand what they are doing. This is an opportunity for which we have to assume responsibility.

[Kocsi] You are also a member of the government, and you are co-responsible for the decisions made by the government....

[Kupa] The minute I feel that they are working against the economic policy that we approved, I will openly announce that I am leaving, thank-you very much. I have no sense of vocation. In that sense, I could act as a scapegoat. However, do not misunderstand me: I do not want to throw in the towel. I am quite tough, even though I get tired sometimes. Powerlessness is what I find the most tiring. I understand everything, the fact that we need to proceed carefully, the fact that this is a bloodless transition, but I am sure we could work more efficiently! I am only restless because I can clearly see that we have every chance of succeeding. If the whole thing depends on me, I will not let us make a mess of it!

Military Officials Discuss Defense Issues

LD1405084691 Budapest Domestic Service in Hungarian 1805 GMT 13 May 91

["Agora": Roundtable discussion featuring Lieutenant General Antal Annus, state secretary in the Defense Ministry; Peter Deak, director of the Center for Research in Security Policy and Defense; Major General Lajos Kondor, cabinet secretary at the Defense Ministry; National Assembly member and Defense Committee Deputy Chairman Imre Mecs; and moderators Jozsef Barath and Gabor Vekai]

[Excerpts] [Barath] The first question is a kind of warmup, but very topical in view of what is happening around us; I am first of all thinking of our southern neighbor. Do we have a strategy about this, some ideas? More specifically: Thinking about the recent political discussions on Yugoslavia, is there some kind of cooperation between Austria, Italy, and Hungary?

[Deak] I feel I am justified to speak first because I am qualified to say that our institution is just now conducting a scientific conference—to be more precise, a conference of experts.

[Vekai] The project means a research study?

[Deak] A working party's conference, the aim of which is to work out an alternative defense concept from the nonmilitary position. Within this framework, yesterday we conducted a wargame [esemeny jatek] in connection with the Yugoslav situation. It can be said that the results were, more or less, the assumptions that Hungarian politics and the Hungarian military leadership have been sensing and evaluating for some time. The danger factors we must consider, the conflicts and crises along the borders, are the ones that can be analyzed as the most probable.

[Barath] This is the game of an independent institution, if you forgive me for the expression. Compared to this, what does the representative of the ministry concerned, Antal Annus, say?

[Annus] Yes, I think it is useful to consider the requirements of basic defense principles in a wider sense. It is true that what you mentioned is a current problem that we must pay suitable attention to, and the government and the Defense Ministry are considering it. We must be properly informed, must evaluate the situation and its possible effects on the Hungarian Republic. In this context, everything that demonstrated the necessary steps and measures was made public. I think if we want to talk in depth about defense principles and requirements, then we should start from wider connections, from the world, Europe, the neighboring regions of Europe, and from our internal processes and internal situation. I would like to mention specific important connections here, including the favorable developments in the European security process and the increase in confidence. The military organization of the Warsaw Pact ceased to exist on 1 April, and perhaps the end of the political organization as well will be placed on the agenda before long. The withdrawal of Soviet troops from Hungary will be complete by the end of June. All these together should force everyone who takes the security of the country seriously to think about these processes and, on the basis of suitable conclusions, come to definite decisions.

[Vekai] There is a topicality in internal politics, as well, to which our whole discussion is linked, namely, next week the defense concept will be presented to the government, the new Hungarian defense doctrine. I found a kind of paradox in all I had read about this. The Hungarian military leadership is in a difficult situation. [passage omitted]

Now, when we are talking about the need to prepare a defense policy, we should certainly build up an independent military force, for which we do not have the money. [passage omitted]

How do you see this?

[Annus] I would say, first of all, that this proposal will not be presented to the government next week, because it will be presented to the government together with the security package from the Foreign Ministry later. The work that the Foreign Ministry is doing in this respect could go on for weeks. I hope this will be completed shortly. Concerning the other part of the question, we not only can, but we must, find a solution.

[Mecs] I think I would go back to the beginning. The Latin saying, finis pacem para bellum, here in Central Europe, thank God, is no longer true. So, with the end of the two blocs and the transformation of the Warsaw Pact, the security questions of the European countries can be solved not by preparing for war, but through disarmament, in the form of balances. Here, we must first of all work out our security concepts. This is a very complex issue that includes not only foreign and domestic policy, but economic policy as well, the building of links with the European countries around us, our position in Europe. All these together give us our feeling of security, our security concept. From these, we must derive our defense concept, as well as from concrete measures concerning defense, regulations, changing structures. This is how we must start. First, the security principles must be formulated on a political basis, as Antal Annus also mentioned, and we can take steps after this.

[Kondor] Your question mentioned one of the fundamental problems of the doctrine, or according to the official name we have, the basic defense principles. There is the question of a compromise in the new Hungarian military doctrine, which demonstrates the conflict between the available realistic options and the defense of the newly independent country. The basic principles of defense determine military policy, defense preparations for the country, for the defensive force, and the use of this force in a given situation. We indeed

inherited an army that is obsolete, not only in its organizational structure, but also in its basic equipment, that does not correspond to modern security policy requirements and to modern warfare.

[Barath] Forgive me—I am not an expert, but I understand that the requirements of armaments for modern warfare must cost enormous amounts of money. Could we do something here at all?

[Kondor] This is a very great deal of money, and this is exactly what indicates that, in the future and in the long term, Hungarian defense policy will continue to be a compromise.

[Vekai] It seems that we must accept a certain security risk. Whether we accept it or not, this is the position.

[Deak] Let me interrupt. I was considerably reassured by what Lt. Gen. Annus said, that the acceptance of the concepts is somewhat delayed and that they will be discussed together with the security policy ideas drawn up by the Foreign Ministry. Here, the greatest controversy is caused, not only among the experts, not only among politicians, but perhaps even among the soldiers as well; that politics, so far, has not yet answered certain questions. A political decision based on consensus has not yet been made on some major questions. For instance: What has priority? In the present European security situation, international guarantees have priority. To supplement this, there is the need for the Army. Or do we believe that we are alone, that we must create an army we can rely on, which is supplemented by certain international guarantees?

[Barath] There is a debate. Is this a serious one? Do those who believe in relying on our own forces represent a substantial force?

[Annus] I think this question has been decided sufficiently, and this is what Imre Mecs said. How we can avoid a war, a conflict situation, is the main issue, and I think that what Peter Deak just now formulated also presents the answer in this form, that as a last resort, if there are no other options, then, as a final resort, the country should be prepared to defend itself, and for this should have a sufficiently necessary or necessarily sufficient army.

[Deak] This is what security policy formulates. After such a political decision, in this worst case, the military organization should be ready.

[Vekai] Is this a realistic possibility?

[Deak] It cannot be excluded, and if it cannot be excluded, there is an obligation for a country to be prepared.

[Kondor] The question of priority you raised is formulated in the basic defense principles, the triple principles of cooperation, restraint, defense. In this, the fundamental emphasis is on cooperation, on the international, wide-ranging, bilateral, or regional cooperation, or to obtain European security guarantees in the future. It also states that in the present day armed forces cannot yet be excluded from security questions, because the possibility of the use of arms derives from their very existence. The CSA [expansion unknown] agreement did not basically change the power relations; it only guarantees to maintain the military balance at a lower level. Allow me one more comment with respect to rational security risks: Indeed, this is an unavoidable risk, but the expression rational exactly expresses the lowest acceptable level of risk in terms of the country's security. This level determines the minimum armed forces we must have under the present circumstances.

[Deak] I want to add a very interesting point, which is only a small detour: The quantity and size of the military force, the bigger it is, the greater dangers it carries in itself, by its own inertia, by seeking a role for itself. One of the aims of the disarmament talks was to at least reduce this possibility.

[Barath] In the press there was a debate on whether there is consensus about the basic principles. Is there? [passage omitted]

[Mecs] The first, fundamental, most important danger is the possibility of a confrontation with great powers. From these, we may rule out Germany, we may rule out the United States, we amy rule out the EC. There remains the Soviet Union. Its army, its thousands of nuclear warheads, remain. These must be placed somewhere. This is enormous strength. In this respect: What can guarantee our security? Only a collective security. We cannot defend ourselves alone. So, with this line of argument, we may conclude that we must participate in the European collective security strengthening negotiations, in those two about which Lt. Gen. Annus spoke just now. This is one thing.

The other group is the neighboring countries. We know well that tensions exist. The possibility of our getting involved in conflict with these countries must be eliminated. We must see clearly that, if we increase our Army with one division, then in the neighboring countries the force that accumulates in the region increases by at least three divisions, and it is true that there is a critical mass, a critical size, which may attack. If we fall under the critical mass, then there is no possibility for attack. Thus, Hungary's eminent aim is to minimize military force should be in the region. Everything must be done for this.

The other thing is that every means may be worth more than a division. [passage omitted]

[Vekai] The Soviet troops are leaving. Does this not create a problem for us, from a military-political, defense-technological, point of view? In any case the Soviet strength has played, to put it mildly, a great role in the defense of this country, in a special defense, e.g. in air defense. Now, this will not exist. [passage omitted]

[Annus] My opinion is that, what Mr. Mecs said can be confirmed, that it was a great illusion, and still is in the mind of many people, perhaps. The military doctrine of the Warsaw Pact has been, really, an offensive military doctrine until recently, and when it was announced a few years ago that it was from then on a defensive doctrine, there was really no change in its essence. [passage omitted]

[Kondor] I still say that we must clearly see that a system must evolve vis-a-vis force deployment. From a military-technical point of view, tasks surface as a result of the Soviet withdrawal. By 30 June, the last soldier too will leave the country. But, possibilities appear. The infrastructural relations change, the radio location system in air defense must be rearranged, and so on. These are not military-policy factors but simply defense policy factors that are undoubtedly present. [passage omitted]

[Barath] Perhaps the most emphatic among the basic principles is the defensive character. I think that it is this which features among the basic principles of the neighboring countries, too. If everybody is defending? Antal Annus.

[Annus] I think that the declaration of intent is, itself, also very important and so is the laying down in bilateral and multilateral relations of appropriate guarantees that this intent should materialize and that another intention should not take precedent. The disarmament process is very important, but we know well that the signatories have not ratified the agreement for reducing conventional armed forces and armaments. We know that even if it is ratified this year the implementation is 40 months, and from this it will follow that we assume that there will be something in years for which we endeavour. My view is, too, that we must endeavor resolutely in that direction. We know what by and large there will be then. What is to happen until then? [passage omitted]

[Kondor] I would also exclude as a danger to Hungary in the present situation—in Europe or in Central Europe—such a situation in which the country would be threatened by some kind of bloc, i.e. the alliance of two or three countries. This we should rule out because, in this situation, too, international mechanisms must come about, mustn't they. What remains?

We must state unambiguously that, if we analyze the situation, there are countries in the region, on our borders, which have no offensive intentions: One, it is not part of their policy; two, they do not have the means for it.

Still, these army forces, these armed forces. Political mechanisms are what they are like. From this, it follows that what is a danger factor, which appears in a latent form, not an invasion, nonoffensive danger factor, is really the destabilization in neighboring countries, the spontaneous consequences of this and those factors that have surfaced in the border region in the form of restlessness either in an armed or an unarmed form. A palpable form, to some degree a forecast signal, of this appears today, e.g. on the Yugoslav-Hungarian border. This means that, in the first round, we must create such a military force that promotes the elimination of these unconscious, nonoffensive possibilities. It is partially a defense task.

[Mecs] We must be ready to handle disturbances that may happen, have happened in Yugoslavia. These can occur to some degree between Czechs and Slovaks too but it is not a military strategic issue fundamentally, nor an issue of war but rather a policing one. [passage omitted]

Therefore it would be a good idea to integrate the Border Guard with the Army because in such a situation the Army would have to carry out border defense tasks and in a way that would not create a sense of threat [in other countries]. [passage omitted]

[Annus] I would say that the Army troops in this situation would have to particiapte, not with weapons but by the nature of its organization, to eliminate such border restlessness. All this shows that political analysis and an assessment of the situation, either long-or short-term, will determine the structure of the military force.

[Kondor] I would like to draw attention to the very close relation between the defensive intent and the security guarantee because the declaration of defensive intent is precisely the search for security guarantees. However, today circumstances show that the former Warsaw Pact countries are searching for security guarantees and this guarantee may be obtained only in the longer term. The establishment of the European Security and Cooperation System would present a guarantee; a guarantee by a great power may mean a guarantee. In this respect, a NATO guarantee cannot be entertained because it would irritate the Soviet Union; a Soviet guarantee would conserve the Yalta agreement.

Thus what is left for the time being for these countries is their continued search for security through bilateral cooperation. It is precisely this momentum—as in this region various conflicts cannot yet be ruled out; I do not mean here armed conflicts but only the sharpening of state-to-state relations—it is precisely this which, for a transitional period, provides a considerable role for the armed forces; not by the application of arms but by their mere existence which gives some kind of security guarantee. Naturally, as it has been said already, it is the ultimate guarantee.

[Vekai] At what state are we with Austria, Czechoslovakia, Romania, and Yugoslavia perhaps, although the latter probably has far more important issues to deal with this. [passage omitted]

[Annus] This process is progressing promisingly. We have concluded a bilateral agreement with the Romanian Republic and with the CSFR too and the one with the Soviet Union is under preparation. In the near future consultations will be held in Moscow.

[Barath] Is it possible that it will be raised too at the presidential visit [as heard], or...

[Annus] I think that it should be separated from this. I would like to say that this agreement can be signed after a bilateral treaty. Naturally this endeavor must and already does exist vis-a-vis our other neighbors.

[Deak] These agreements that have been created for military cooperation are not security agreements. These belong to a higher class. According to my information, cooperation agreements between military organizations and armies in peacetime and in certain spheres have truly been created. It is the security treaties that present security guarantees such as the basic treaty that should come about with the Soviet Union. There are certain problems with the security policy formulations and this will be followed by confidence building regulations.

[Vekai] You criticize the lack of treaties on a higher level—if you like ones relating to political decisions as yet...

[Deak] I express my desire for this but I cannot follow through with it because it is the result of a political constellation. [passage omitted]

[Mecs] Neighboring countries have no nationality demands and problems vis-a-vis Hungary but the reverse is the case. Magyar nationals live, in considerable number, in all the neighboring countries. This means that we must move toward them, be apparent to them. Our intentions must be calculated and predictable over the long term. From this point of view bilateral relations help this apparency. [passage omitted]

[Barath] On Romania, Gen. Stanculescu is no longer the minister of defense. Does it present any problem for us? [passage omitted]

[Annus] Precisely this situation, this system of relations, this suspicion has created just such a situation with several of our neighbors—more than one, in any case. We must consider whether broader based military cooperation should include a mutual attempt to recognize a certain political security relationship, bilateral security, or whether we can wait for these agreements within larger frameworks. It is very important that this expectation—that between the two countries agreement will be reached at every phase—has not been fulfilled with Romania. On the contrary, this has been a solely partial accord but also on a broader basis there has been a necessary, an important agreement. I think that even where the conditions do not exist for a higher-level agreement we must endeavor to conclude partial agreements. [passage omitted]

[Vekai] It seems that not only is the leadership, the Army leadership, in fact in a difficult situation, but it seems that there were certain signs of a crisis as well, as if it were very difficult, even from within, to reach an agreement. I am thinking here of the disputes surrounding Army General Kalman Loerincz [whose resignation was turned down by president last month]. [passage omitted] So I think it is worth saying what the issues are here. The basic principles are still not completely worked out. What kind of disputes, perhaps, what kind of conflicts, are there? Imre Mecs?

[Mecs] I suggest we separate the problems. There is a dispute connected with constitutional law, with the state's stability, and within this with the Army's leadership. In other words, a constitutional debate surrounding the spheres of authority of the state president, the prime minister, the defense minister, and the commander of the Hungarian Army. [passage omitted] This was essentially behind Kalman Lorincz's resignation. This dispute has to be played through and a reassuring solution has to be found in this dispute. That is one group of problems.

The other problems are connected with the defense concept. This is what we have been speaking about essentially until now.

And the third group is the Army's structure and the structure's transformation; the legacy of the past; the adjustment to new tasks, tasks that have not yet been clarified precisely. This is where the silly debate in the press comes in. So, I would suggest we proceed in accordance with the three principles. We have already discussed the second one.

[Deak] I would like to observe that the first problem, that is this dispute between the commander in chief and the leadership, is not an essential element of the armed forces' structure. It is an important issue in another respect. I could say it is a political issue, but I would go so far as to state that this is a problem of the mechanism of direction and an issue of competence. [passage omitted]

[Kondor] Perhaps we should not deal in great detail with the first group of issues, for this is not the topic. However, I would like to say that the first group is in fact constitutionally regulated. Since the Constitution very unequivocally separates the right of the Army's use, the right of the Army's direction, and the right of the Army's leadership. Its function is within the competence of the National Assembly; its direction in peace time is within the competence of the government; its leadership in that of the military leader, the Army commander. There are problems of interpretation. The Constitution's regulations meet the circumstances. However, there are inaccuracies.

[Balath] It seems, though, as if there were clashes between the general staff and the commander in chief's functions.

[Kondor] These are the problems of practical work, problems arising from the lack of evolvement. [passage omitted]

[Annus] I agree with that Lajos Kondor said and also Imre Mecs, that this has to be clarified, the matter has to be seen through. It has to be put in order so it can operate

satisfactorily, so there are no operational confusions. As for the second group, whether a person is or is not the chief of staff and Army commander at the same time, this is merely a leadership technical issue not a power sharing issue. Therefore, in fact, nothing else changes because of that. But I will also add that this is not the most significant part of this whole sphere of issues. [passage omitted]

[Vekai] Do I understand correctly that since Mihaly Beothy's resignation there has been no dispute on the principled issues of security, of doctrine? That is what it was about, after all.

[Deak] The dispute is a little more restricted. What is the main issue here? There is the technology for the reorganization of the military force, that is particularly important because money is a compelling factor and the vacuum we are in is a compelling factor. After a political decision it has to be determined in analysis what is the mission of this army. When this has been done, when its mission has been determined, then it has to be decided what activity it will pursue, and, finally, what kind of battle order, what kind of structure, what kind of equipment is needed for this activity.

This has to be played through. In other words, we can't start with an armed forces formation when basic issues have not yet been decided. One thing is important, however, that we have a situation. So, when we are reforming the armed forces, or when those in the country who are competent to do it are doing it, then we need a transition period, when we start out from what we have at present. And here Deputy State Secretary Beothy is incorrect because after all it is not an offensive structure; it is a structure that has not yet resigned.

[Annus] I would even list the situation, the state of affairs in the Army, among those factors that justify the urgency of deciding rapid steps in our interest. At the same time these steps must be considered ones. [passage omitted]

The fundamental tasks for the military force that are in line with political principles appear not to be disputed. They stand on constitutional grounds, they are clear. The country's situation, its state of affairs, the country's means from the point of view of economic resources are by and large clear. The Army's transformation into a force that is national and capable of an independent defense is necessary. Those military calculations and analyses which initiated the military-technical requirements took place within a relatively limited circle because it did not have such publicity. Thus in this respect there are still many undecided questions.

[Kondor] The [defense] doctrine is not a theoretical scientific work but a document on the basis of which the country's security, military security, and defense must be organized. Thus it must be a dual focus. On the one hand it must take into account today's realities, the Army of today, its state of affairs, its armament. It is only on this that realistic military policy may be built. At the same time the future too must be shown.

The debate that evolved around the former is that such demands are intended in the military doctrine, vis-a-vis the current military force structure, to already reflect the modern warfare of the Gulf war. This can only be a longer term aim. It can be started in the second half of the decade. The long term policy, the daily political vogue, and the long term interests of the defense of the homeland must be separate because building an Army is a decade long task. [passage omitted]

[Barath] Is there a need for a special coordinating mechanism? There is a need obviously for civilian control?

[Annus] I think that I agree from the point of view that in elaborating the military force structure political control must be present under any circumstances because there is a need for consensus in policy as well as among the politicians and the professionals. [passage omitted]

Skubiszewski on Initialing German Treaty

LD1405170991 Warsaw PAP in English 1223 GMT 14 May 91

[Text] Warsaw, May 14—The Polish-German treaty on good neighbourliness and friendly cooperation was to be initialled these days, with the German side suggesting May 14 as an approximate date. The initialling would be an action only preparing the signing of the treaty, Foreign Minister Krzysztof Skubiszewski told journalists today.

Political debate on the treaty became animated in Germany and shifting the date of the initialling that was to be done by directors of departments in Polish and German Foreign Ministries does not mean anything. One should wait and see the course of this political debate and what results it will bring. So far, the German side has fully hoped for signing the negotiated treaty.

According to Skubiszewski, negotiations on the treaty were long, at some moments they concerned difficult problems, nevertheless they proceeded well.

Drivers, Miners, Factory Workers Go on Strike

LD1505084291 Warsaw PAP in English 2146 GMT 14 May 91

[Text] Slupsk, Wroclaw, Bialystok, May 14—Six workers of a Slupsk company have gone on a hunger strike while others stage a sit-in to protest against a two-month delay in wage payments. A fifty per cent share in the "Matra" company, which manufactures metal parts for furniture, is held by a German resident. The delays result from the company's problems with the production and sales of its products.

Some 20,000 workers of the "Rudna" and "Polkowice" copper mines and the "Sieroszowice" processing plant in Wroclaw province are taking part in a strike over pay which started last night. Miners demand a 100 per cent rise of wages and higher welfare benefits. The strike is supported by the Federation of Miners' Trade Unions while two other union organizations operating there, including Solidarity, refused their backup.

Negotiations held with bus drivers in the north eastern city of Bialystok since yesterday failed to produce any results so far and will be continued. Drivers of municipal transport demand the dismissal of the enterprise's manager and an increase in pay. Local plants organized free bus service for their workers and residents of the city.

Minister Discusses Approach to Privatization

LD1005105891 Warsaw Domestic Service in Polish 0905 GMT 10 May 91

[Text] Yesterday evening, Minister for Ownership Transformations Janusz Lewandowski was a guest in Lodz for a short while. He signed a letter of intent concerning the creation of a business promotion center. The guest also met with the Liberal Democratic Congress and with journalists. The number one subject was naturally privatization.

[Begin recording] [Unidentified reporter] Minister, I would like to ask you how you assess the pace of privatization so far?

[Lewandowski] One could be satisfied but I am not [word indistinct] quantitatively [word indistinct]. It must have economic sense and be comprehensible for the public. It must also be politically attractive in a sense so during the course of privatization the number of adherents of privatization and property ownership changes grows. If, from the point of view of that kind perception [word indistinct] could say a lot, and a lot has to be improved. We are capable of privatizing by liquidation about 1,000 enterprises a year. However, we are looking critically at these liquidations because we know that we have to look at the economic opportunities of the work forces, which are being privatized in this way. We are in a position of being able to announce several public offers, but in each one of them we are going to look for something new; for example, an injection not only for the state budget but for the factory. [end recording]

Bielecki Views Problems With Entrepreneurs

LD1005173191 Warsaw Domestic Service in Polish 1144 GMT 10 May 91

[Text] Prime Minister Jan Krzysztof Bielecki has had a meeting with the National Council of Economic Societies [Krajowa Rada Towarzystw Gospodarczych]. Its members criticized the government's economic policy. The recession, the bad tax system, and excessive interest rates were mentioned. Concern was expressed about the budget shortfall [luka budgetow]. It was also stated that the Balcerowicz plan means that Western capital does not want to come into Poland.

Rejecting the accusations, the prime minister said that a comparison ought to be made between what the past 45 years had brought and what the government has achieved. The Polish economy is not in recession; it has merely gone down to the level of the real market possibilities of the money circulation, Jan Krzysztof Bielecki said.

The prime minister added that, instead of adapting to the new conditions, the majority of enterprises would like to wait out the changes. He expressed his surprise that the entrepreneurs are talking like trade union representatives.

Spokesman Briefs Journalists on Economic Program

LD1005232991 Warsaw PAP in English 2207 GMT 10 May 91

[Text] Gdansk, May 10—The government intends to take up steps that will help it regain control over state-owned enterprises which are inclined to survive rather than to make efforts at restructuring, government press spokesman Andrzej Zarebski said during a press conference here today.

Asked whether the government "would survive" Zarebski said this largely depended on developments of the next few days and the outcome of the economic

conference at Belvedere (the president's office), the Sejm meeting on the economic situation in Poland and parties' meetings.

Zarebski warned that the disputes on the economic policy should not turn into a game for power.

To the charges that there is no progress in the implementation of reforms, the spokesman said that 70 per cent of changes depend on new laws while the present parliament is no longer capable of passing new laws smoothly.

While referring to the day of protest proclaimed by Solidarity on May 22, Zarebski stressed that the government has not got the feeling of its infallibility and there is a lot of truth in the criticism addressed to the government but there are no alternative concepts, he said and added that if the government is ousted it will come in effect of an inner power struggle and not due to public protests.

Mazowiecki Discusses Stability, Economic Reform

LD1205180791 Warsaw Domestic Service in Polish 1700 GMT 12 May 91

[Interview with Democratic Union Chairman Tadeusz Mazowiecki by Marian Dachniewski at the Union's congress in Warsaw on 12 May—recorded]

[Text] [Dachniewski] The Democratic Union [UD] is a party of people with various views, a party of compromise, and the parliamentary elections are approaching. How do you see the chances of your party in the coming elections?

[Mazowiecki] Why did you [word indistinct] the fact that we are a party of various people and of compromise? It is sometimes said that we are insufficiently clear. I think that precisely in a situation when there are arguments, when there are divisions, when there is an atmosphere of precisely such a fracturing taking place in Poland into various groups, if people unite and come together, and such diverse people at that, then this witnesses to something very clear. Namely, it witnesses to a clear will to place before differences matters that are of supreme importance for Poland. That means matters of the further implementation of the economic reform and the further implementation of the political reform so Poland can be a stable country. Precisely here is where our clarity resides, in this supremacy of these matters. I judge that, in Poland, there are many people who think along the same lines, people who feel that there is a need for some accord around matters that have primacy. I judge that we will win these people over, go to the elections with them, and achieve a significant effect. We feel—I spoke of this yesterday—that a second step is required. The first was a movement toward a market economy and an end to the directing of the economy in the forms previously applied.

[Dachniewski] Subservience to supreme issues? But does this not demand sacrifices from society? If sacrifices, then what are the prospects?

[Mazowiecki] Let us not constantly speak of sacrifices. Let us talk of the fact that it is necessary to move forward, that not everything will be resolved immediately, but that this country has, nonetheless, changed already. This second step is required. It will be based on the drawing of all economic agents into the mechanism of the market economy and, thus, also state agencies. Before these are privatized, they must have some prospects. This idea of the development of—the specification of—this second step is a very important thought. One could say—this is no allusion to anyone—that in Poland a passage from Grabski to Kwiatkowski is required.

Boni Briefs Walesa on Social Policy, 'Tensions'

LD1305214191 Warsaw PAP in English 1748 GMT 13 May 91

[Text] Warsaw, May 13—Polish President Lech Walesa received Minister of Labour and Social Policy Michal Boni at the Belveder here this morning. The minister informed the president on the present social situation in Poland and stressed there were unrest and tensions stemming from the government social policy. The president said social policy should be directed mainly to people who badly need social assistance. Lech Walesa added it was necessary to intensify economic activity of society as it was decisive while solving social issues. Later in the day, the Polish president met with Irena Anders, the widow of General Wladyslaw Anders. I believe, you now need a rule of an iron hand and not democracy, Mrs Anders told newsmen after today's meeting and added she would do everything to force people to discipline but the president did not agree with her. Asked whether she thought of bringing to Poland General Anders' ashes, Mrs Anders said it was impossible as it was the general's will to be buried at the Monte Cassino Cemetery together with his soldiers.

Committee Meets on Combatting Unemployment

LD1405003791 Warsaw PAP in English 1822 GMT 13 May 91

[Text] Warsaw, May 13—With the present unemployment growth rate maintained, the number of jobless in Poland may exceed 2 million people at the end of 1991. As the reduction of the trend is becoming a fundamental question of the present economic policy, the Economic Committee of the Council of Ministers [KERM] met here today to discuss various aspects of counteracting unemployment and its social effects. According to the Committee joint actions of employers, trade unions and state administration are needed to implement an efficient policy of fighting unemployment. The proposed measures include the re-training of jobless, the concentration of means from the labour fund in regions with the highest unemployment, the introduction of public work, and the formation of "special enterprise" zones with the foreign capital share. The Committee is also planning to introduce stricter criteria of obtaining unemployment

benefits, such as lowering their level, withholding benefits for people who quite jobs, and limiting their payment to 12-month periods. The government is to undertake actions with a view to legalizing the employment of Poles abroad and to obtaining free access to foreign labour markets for them. On the other hand, legal regulations will be introduced to protect the Polish labour market against a possible mass influx of foreigners.

[Warsaw Domestic Service in Polish at 1400 GMT on 13 May adds in a similar report: "The greatest unemployment figures are expected in northern and southeastern Poland and in the Lodz and Walbrzych Voivodships. By the end of June, the Labor Ministry will examine who is truly unemployed and who ought to receive benefits."]

'Solidarity of Labor' Meets Plant Managers

LD1405005491 Warsaw PAP in English 2235 GMT 13 May 91

[Text] Warsaw, May 13—The parliamentary circle "Solidarity of Labour" met here today with managers and Solidarity leaders of some 30 plants to discuss the economic situation of state-owned enterprises and ways of helping them overcome recession. Participants in the meeting said that needed are activities which would improve the situation of industry and a realistic privatization programme adjusted to modest financial means of the population. It is a mistake to assume that all state enterprises must turn bankrupt, they said. As one of the solutions, members of the circle mentioned faster decisions on customs tarrifs which would protect home production against imports. They charged that there were no economic reasons for exempting private firms from the excessive wage tax.

[Warsaw Domestic Service in Polish at 2100 GMT on 13 May adds in a similar report: "The Solidarity of Labor proposes making a social contract with the participation of the trade unions on the matter of economic policy. A similar idea, A Pact for Poland, is being propounded by the Democratic Union. The difference is based on the fact that the Democratic Union wishes in this way to create something of an umbrella over economic policy hitherto, and in the view of the Solidarity of Labor, a contract cannot just relate to a simple continuation of this policy."]

Bielecki Says Council To Accept Economic Package

LD1405034791 Warsaw TVP Television Network in Polish 1730 GMT 13 May 91

[Text] According to the English consulting firm Morgan Stanley, Poland has got the worst behind it. After last year's 12-percent fall in the national income, this year our wallets will grow thinner by 3 percent. This data was presented by Prime Minister Jan Krzysztof Bielecki and Deputy Prime Minister Leszek Balcerowicz during a meeting with journalists in the headquarters of the Association of Polish Journalists. They announced that this week the Council of Ministers would accept a package of several economic documents associated with banking and a change in the system of state enterprises. This alone would compel enterprises to change their strategy of action, which is based on a wait-and-see attitude. Leszek Balcerowicz stated that, despite the 8 million [currency not specified] deficit, the state budget was under control. Prime Minister Bielecki expects from the particpants's of the Friday meeting of economists in the Belweder Palace the presentation of various views concerning the transfer from one economic system to another.

Ownership Minister on Faster Privatization

AU1405081991 Warsaw ZYCIE WARSZAWY in Polish 7 May 91 p 2

['kgm'-signed report: "Accelerating Privatization"]

[Text] At a news conference held on 6 May, Minister Janusz Lewandowski discussed ways of speeding up the privatization of small and medium-sized enterprises.

By 6 May, 243 enterprises had embarked on the path to privatization through liquidation. The minister of ownership transformation has approved the liquidation of 138 enterprises on the basis of the privatization of state enterprises act. Most of these plants are in a good financial state. Over 90 percent of them want to transform themselves into employee companies by means of leasing arrangements. A total of 105 enterprises, which are in a poor financial state, are going to be privatized on the basis of the state enterprises act.

The transfer of enterprises to employee companies on leasing terms enjoys a lot of support among work forces, but, at the same time, many legal and, above all, economic obstacles do arise. The work force must provide capital amounting to 20 percent of the value of an enterprise's assets and that is an insurmountable obstacle, as the value of fixed assets is vastly overrated. In addition, leasing charges are high. Interest on leasing loans is charged at three-quarters of the refinancing rate (which is currently about 45 percent a year). The Ownership Transformation Department asked Deputy Prime Minister Balcerowicz to place a 30-percent ceiling on the level of interest that can be charged and has already obtained his approval. Leasing is to provide a form of privatization "without capital" and is to be available to domestic investors, primarily work forces.

In order to speed up the privatization process, the government will sell off small and medium-sized enterprises at the request of parent bodies by way of competitive tender.

This particularly applies to enterprises in which employee councils have not proposed that assets be transferred to companies operated by individuals. Domestic legal entities and individuals and foreign parties will be able to submit offers. However, sale will be by tender, not price. An initial price will be fixed by the state treasury, but the final sale itself will occur at the price determined by the market.

Sejm Commission Rejects Government Economy Report

AU1405122591 Warsaw GAZETA WYBORCZA in Polish 9 May 91 p 1

['dz'-signed report: "Deputies Say the Government Is Running Things Badly"]

[Text] On 8 May the Sejm Economic Policy, Budget, and Finances Commission rejected the entire government report on the implementation of the economic program and possible adjustments to it, as well as a report on the implementation of the 1991 budget resolution.

On 23 February of this year, the Sejm charged the government with submitting a report by the end of April.

"The material prepared by the government is extremely general and does not even attempt to address the current economic situation," said cOmmission Chairman Ryszard Bugaj ("Labor Solidarity" Citizens Parliamentary Club). He even used the term "disgraceful." In his opinion, two-thirds of the 13-page assessment referred to the past.

The government did not react to the cautionary forecasts made by the Central Planning Administration and has not proposed any new solutions. The government representatives present in the hall also had nothing to say on the subject of the forecasts. (We remind readers that on 26 April Minister Jerzy Eysymontt said that the annual inflation rate may reach 90 percent, real wages will fall by between 6 and 8 percent, the budget deficit will reach 10 percent of revenue, and the there will be 2 million people out of work).

Bugaj said that in addition deputies had not been provided with precise figures on the budget and the condition of state finances, and the letter of intent signed with the IMF had not been made available to them.

"If deputies had treated the government in the same way as it had treated them, there would be no economic legislation ready, not even by 1995," said Deputy Marek Pol (Polish Social Democratic Union).

Deputy Finance Ministers Wojciech Misiag and Andrzej Podsiadlo and Andrzej Topinski, Polish National Bank deputy president, were showered with questions.

By imposing a limit on daily state budget expenditure, has the government essentially blocked such expenditure (which would require the consent of the Sejm), or is it only bringing it into line with what is realistic? The representatives of the government rejected the charge of blocking expenditure. They believe that all they are doing is overseeing the state of the budget on an ongoing basis, which is the duty of the government and is something that is done by other countries in a similar situation. They also rejected the charge, contained in a report of the Supreme Chamber of Control, that they were pursuing an excessively restrictive policy.

Did the private sector's special, privileged position regarding access to credits not breach the principle that all sectors are equal?

Deputy President Topinski conceded that during the final quarter of last year and in January of this year, the private sector was given preferential treatment by the banks, but the banking law permits banks to be selective in extending loans. Until now, private firms accounted for an insignificant share of all loans and were in a worse position that state companies, so it was a question of creating equal opportunities. At the moment, there is no preferential status.

Why, when there are such budget difficulties, is the government buying "fleets" of Lancias, Hondas, and Toyotas? Who checks expenditure and work performance in the banks? Why does the government want to punish enterprises—and retroactively at that—for legal loopholes that were the fault of legislators (this concerns the tax on supernumerary wage increases that is to be levied on payments made out of social funds last year). What is happening about restructuring? Those were some of things that deputies want to know about.

The commission expects the government to provide it with concrete and exhaustive material by 15 May. Deputy Minister Podsiadlo was not sure whether the government would be able to prepare a report by that date.

Economic Indicators Show Decline

LD1405184191 Warsaw PAP in English 1416 GMT 14 May 91

[Text] Warsaw, May 14—According to the data released by the main statistical office (GUS) industrial sales in April dropped by 9.1 percent against last March and by 12.2 percent against April 1990.

Only the mineral industry recorded a 3.7 percent growth in sales while the highest drop was noted in the light, steel and iron, and chemical industries, by 16.8, 13.5, and 12.2 percent respectively.

The employment in six sectors of the national economy diminished by 1.2 percent while the average wages were higher by 5.7 percent against March and amounted to 1,621,400 zloties.

In comparison to the first four months of 1990, a 7 percent drop in exports was noted. On the other hand, imports grew by 40.4 percent in that time, with a 102.2 percent growth in consumer imports, which resulted in the turnover debit balance of 525.6 million dollars.

Government Accused of Lying, Cynicism

AU1005142591 Bucharest ROMANIA LIBERA in Romanian 3 May 91 pp 1, 2

[Octavian Paler article: "Miracle and Disaster"]

[Text] We have heard the prime minister declare in Parliament, in a very self-assured way, as if we were listening to the tirade of a romanticist determined to break the hearts of the deputies, that the government (of course, his own) is attempting to turn Romania into a "miracle." And, to be honest, I am not sure whether he was talking seriously; I mean, with due respect to the tragedy we are going through. What, actually, was this story about a "miracle?" A rhetorical device designed make us sensitive? A small example of harmless demagogy? Or proof of the fact that thirst for power diminishes and dulls one's sense of reality? I cannot even decide which hypothesis is worse: the one that Mr. Roman played with words, counting on the fact that lies sound beautiful; or the one that he himself believed in them. In the first instance it is clearly a case of lighthearted cynicism. In the second, things once again get complicated... Could it be that the prime minister does not know that all the current leadership has succeeded in doing is to turn Romania into the most isolated country in Eastern Europe, despite the comings and goings between Moscow and Paris? Because, switching from one "miracle" to the next, one more "original" than the other (one of these days we will have to examine the history of this "originality"), have we created a paradise of shoddy business and corruption? Could he not know that all our country's hard currency resources, as well as all the aid and what has been borrowed, have been spent without anything being relaunched, if we do not include the modernization of the police by equipping it with the latest types of shields and the haste in continuing Ceausescu's megalomania when it comes to "protocol?" Could he not be aware of the fact that we are on the verge of catastrophe and that it is somewhat indecent for a leadership linked to a disaster to tell stories about "miracles?" Could he not know that Romanian society is becoming more and more demoralized, more and more bereft of hope, and more and more disgusted with lies and squalor, and that this is the cause of the unprecedented scale of emigration we are currently witnessing?

The truth is that those who are currently holding power no longer have the excuse of a tragic heritage. Now they can be blamed and held responsible themselves for impoverishing the country. And the truth is that the only "miracle" that we expect from them is to stop indirect political crimes. For genocide continues. Romanians continue to die, day in day out so to say, in hospitals that sometimes no longer even have dressings. Pharmacies are a lottery. People who are seriously ill have to cover tens of kilometers only to hear the same desperate "we do not have any." The death sentences by proxy, which are decided on by the government are innumerable. Illnesses that are no longer fatal in other countries are swelling Romanian cemeteries. And who is counting how many assassinations are committed by stress, malnutrition, the pursuit of basic necessities, the fear that has reappeared, the desperation that has reappeared, and the exhaustion that has reappeared? It has shaken foreigners to see the state of Romanian orphanages; but we are buying airbuses. Every evening darkness spreads over our country's capital; thieves proliferate while the police are busy protecting those in power from the nightmare of University Square; we are threatened by an invasion of rats, literally and figuratively; corruption is taking on mind-boggling proportions; it is said that the main profiteers are the former profiteers; food stores are empty while privatization is taking place mainly in street kiosks, like in China; misery pushes people toward reckless selfishness based on the principle "whoever can, escapes"; the intellectuals are not yet sure whether the government is watching the agony of culture indifferently or whether it is stimulating it, so there are no longer so many critical voices! The wind is sweeping over the construction sites with their unfinished buildings, and the country's energy is dwindling because of the disappointments we are systematically going through, as if those in power wanted to persuade all of us that any idealist who tries, by all means, to remain an idealist today is either an imbecile or naive.

Only the television smiles and displays flowers, but let me change the subject. Are lies, which corrupt public life in a traumatized country that needs truth like its daily bread, not also political crimes? Is it not also genocide to push a nation or, rather, a large part of it, to the point of not believing in anything any more, after it had hoped for everything? What about the organized and aggressive way of "pulling the leg" of desperate people? We are the only country in the East in which those in power are believed to be in collusion with the security forces. We are the only country in the East where the opposition is viewed as a fiend. We are the only country in the East where those in power are publicly accused of national treason. Wasn it normal and befitting under such circumstances to merely promise us less corruption, less squalor, less desperation, and not miracles that no one believes because they cannot be achieved by a leadership that is possessed solely by power?

Not to mention the fact that a leadership that boos Timisoara and does not have the courage to put its foot down, a leadership that has compromised the miracle of the revolution, allowing persistent talk of a state coup circulate, and a leadership that is particularly detested by young people should be the last to talk about miracles. Because it can neither understand nor accept them. It is difficult to explain by what miracle a generation of 20-25 year olds—a generation that grew up with lies, without knowing anything about freedom—has become the most implacable opponent of political lies. However, the fact that this very generation is often booed, beaten up by the police, and blamed through the loudspeakers of the leadership is yet more proof—along with the insults hurled by the parliament against Timisoara and attempts to discredit the revolution—that a regime that is incapable of understanding what is sublime, because it

reduces everything to calculations, cannot hold anything sacred. As a matter of fact, the other countries in the East, which were together with us in the same "camp" are recovering more swiftly from the post-totalitarian illness, without promising miracles. On the contrary. In one of his speeches, Vaclav Havel said: "You have heard my predecessors utter variations on the same theme: The way our country is prospering, how happy we all are, how we trust the leadership, and what bright prospects we have. I believe you have not elected me to lie to you in turn." Mr. Roman on the other hand imagines, as it were, that this is the very reason why he was elected.... Certainly, no one expects Mr. Iliescu or Mr. Roman to appear on television one evening to admit before the nation: "Esteemed fellow citizens, it is true. We plotted the masquerade of the terrorists. And we lied when we told you that we want to run the country only up to the elections. In actual fact, we never thought of leaving power to someone else." Such political suicide would require people of a different caliber and would, indeed, be a miracle. However, because "I believe that miracles no longer take place in our times," let us at least have ordinary common sense and respect the facts.

Iliescu Views Current Events for ADEVARUL

AU1405182291 Bucharest ROMPRES in English 1651 GMT 14 May 91

[Text] Bucharest ROMPRES, 14/5/1991—Asked to draw a line and count the assets and liabilities of our political, economic, social and moral life, almost one year after the May 20 1990 elections, President Ion Iliescu made a few remarks in an interview for the daily "ADEVARUL."

He began by denying that his function keeps him "at a distance" from the process of the economic reform, which he said he had been closely watching, starting from its very first beginning in January 1990 when a commission was set up to draw up a survey on the transition to the market economy, a material that later formed the foundation of the governmental programme. He has been permanently in touch with specialists, branch, unit and trade union representatives. Relative to the controversy stirred by the employment of foreign specialists to advise on the reform, the president pointed out that the presence of foreigners did not exclude the contribution of Romanian specialists and organisations and that the foreign expertise was part of the technical assistance programme of various foreign organisations at their own expenses.

President Iliescu also rejected the assertion that law-making was slow and argumented with the almost 100 laws passed in one year.

As to the heated debates over the sequencing of price liberalisation and privatisation, the president said the issue deserved a fair approach. The privatisation law, in preparation now, underlined the president, is maybe the most difficult of all to translate into practice, and he quoted the examples of Hungary, Poland, Czechoslovakia and even Britain where the privatisation of certain sectors took almost ten years. Therefore the president termed the dispute as unrealistic and explained that price liberalisation had been required by the pressing needs of an economy whose unprofitable branches and activities could no longer be sustained by the budget.

Admitting that corruption has spread its tentacles in Romanian society, President Iliescu showed that the transition period fostered such phenomena both in the political and economic spheres, which deepened the moral crisis of the society, which, again climbs up the spiral of corruption. That corruption must be fought by all possible means, such as law, penalties, and with the sustained help of the press, is a fact, but a fundamental prerequisite for the eradication of corruption is the revival of the national economy, through the improvement of economic and financial mechanisms, by creating the source of welfare for all citizens.

In the president's opinion, no not only the opposition suffers from lack of substance. The whole Romanian political life is in its infancy which is why the ruling party itself is faced with internal crisis symptoms.

President Iliescu said he saw the restructuring of the political system on new bases as a complex and lengthy process but expressed his optimism that the process would finally shape out solid political forces with viable and sound programmes, which could only serve the development of the Romanian socio-political thinking and practice.

The near future, opined the president, will bring new difficulties but he urged everyone and especially the youth to be confident in the future and show moral courage. He expressed his regret that some youths, when faced with hardships, leave the country. People of moral rectitude and intellectual value stay, at difficult times, beside the people that bore them to light and formed them. Hardships are always there in life, but the creative forces of the nation must all concur to build a future, not far off, when life will be laid on new foundations, concluded President Iliescu in the interview with "ADEVARUL."

Press Reaction to Eger Meeting on Transylvania

AU1405152491 Bucharest ROMPRES in English 1336 GMT 14 May 91

[Text] Bucharest ROMPRES, 14/5/1991—The meeting in Eger still has its reverberation in the Bucharest press, especially after the Romanian television rebroadcast the Magyar television's report on that theme:

"DIMINEATA," unequivocally, the meeting in Eger was the beginning of the Hungarian community's fight for the so-called autonomy of Transylvania. And it looks like a declaration of war. There will be many to say we should not get alarmed. However, we do have proofs that

the meeting in Eger had its consequences on an international plane. And the Eger syndrome exists. The outlines of a new diktat emerge. And if that diktat emerges indeed it will be solely our fault.

The meeting might be regrettable. From the point of view of the Hungarian community it might be dubbed as a blunder. To us, however, it is the very argument we needed. This congress of chauvinism unveiled Hungarian irrendency. We therefore have the duty to defend ourselves. Defeatism, no matter the form it shows in, would be a crime.

"AZI": Is it possible that a confusion is being willingly maintained between Hungary as a state of the Hungarian people and Hungary as a territory of the whole Hungarian population, therefore, the Hungarian minority in Romania included? If so I am afraid the Hungarian Democratic Union of Romania does not consider itself a part of the Romanian people and, therefore, will not answer this people's laws.

"ROMANIA LIBERA": From the very beginning the meeting in Eger turned into an anti-Romanian political meeting and ended with a statement that synthesizes all the claims of our neighbours in the west (...) who are determined to regain their old dominant position at all costs, at the cost of destabilizing the democratic order in Europe included. Who is behind those who try to destabilize central Europe again? The task of detecting and annihilating those forces devolves on the diplomacy in the two countries unless we want to once again turn into a mere instrument in the hands of the great powers (...). Therefore, less fanatism and more lucidity are needed.

"ROMANUL" ["THE ROMANIAN"]: That they (the Hungarian Democratic Union of Romania) did not deny what had happened there is no surprise. As a matter of fact, the Hungarian emigration is not so naive as not to hold the strong arguments of Budapest's involvement in the question of Transylvania. And silence, even if veiled, sometimes says more than a word that is subjected to the corrosion of diplomatic manoeuvres. What is a surprise is the Romanian authorities' refraining from firmly condemning an overt provocation which touches on our national dignity, sovereignty and independence.

"TIMPUL" ["THE TIME"]: A townlet in Hungary which, for several days, became the capital of the most aggressive Hungarianism. After Eger today looks different. And the question of "Open Skies" looks different. The threatening problem is that of "an open earth" Transylvania (...).

We could also understand that in the story of our political opposition Romania's entrance into Europe cannot be conceived without self-sacrifice, that is, without Romania's dismemberment.

If the Eger meeting highlighted the consciousness and determination of our Hungarian fellow countrymen and if its effect could be the emergence of a possible collocutor then we welcome the Eger meeting. Because there is no other obstacle to Romanian-Hungarian understanding except the fact that it cannot be achieved on the basis of our wish alone, without a collocutor, without a partner.

"TOTUSI IUBIREA" ["STILL, THE LOVE"]: Our lenient authorities should finally take action. The government was questioned in Parliament and gave no answer. One day hundreds of thousands of citizens might give up Romanian citizenship if this snake (Bishop Tokes) is not deprived of his Romanian citizenship which he spoils, drawing nourishment from the illusion that if something happens to him than he could win the Nobel Prize resorting to sham suffering (...). Do what you want to do but not as a Romanian citizen.

PNT-cd Criticizes Treaty With USSR

AU0805102691 Bucharest DREPTATEA in Romanian 3 May 91 p 1

["PNT-cd Declaration on the Treaty of Cooperation, Good-Neighborliness, and Friendship Between Romania and the USSR, Concluded in Moscow on 5 April 1991"]

[Text] The National Peasant Christian Democratic Party [PNT- cd] realizes the need for relations of good neighborliness with all surrounding states, particularly the USSR. However, in view of the historical truth, the content of the treaty raises serious questions.

I. The treaty sanctions the integration of Bessarabia and North Bukovina in the USSR. It is not in our interest to invoke, in this respect, the existence of another treaty that is also detrimental to Romania.

II. However, it is right to invoke the events of 1812, 1859, 1877-78, and particularly the free union of Bessarabia and Bukovina with Romania in 1918, as well as the consequences of the 1939 Ribbentrop-Molotov Pact, through which these territories were illegally taken from us. This pact was also denounced even by the USSR and the Western states.

In the Atlantic Charter of 1941, the United States and England clearly stipulated that they will not recognize any territorial changes made after 1938 without the approval of the respective peoples. This also applies to Bessarabia and North Bukovina.

III. Although changing the Romanian-Soviet border is not a topical issue, the treaty should have mentioned the existence of a Romanian-Soviet dispute over Bessarabia and North Bukovina and the need for its just resolution in the future.

If it was not possible for the issue of the aforementioned territories to be mentioned in the treaty, nothing would have prevented the Romanian Government from making an official statement about these territories

during the signing of that treaty; such a declaration would be of particular relevance for the future of the Romanian nation

IV. One should have also mentioned that the Helsinki Final CSCE Act clearly stipulates that the participating states "consider that borders can be changed, in accordance with international law, through peaceful means and by agreement."

V. Article 4 of the treaty provides for a possible limitation and conditioning of Romania's future international security ties. Our country is attached, by old traditions, to the friendly Western states and there are thorough reasons for maintaining and developing close ties with these friendly Western states, aside from concluding treaties of good neighborliness with the surrounding countries. In this respect, the Romanian side already asked to join NATO. The dispositions of Article 4 amount to mortgaging our country's future foreign relations.

In view of the aforementioned considerations—if the treaty between Romania and the USSR is to be ratified by the Parliament—it is necessary that it should be improved (all these being constructive alternatives) by:

1. Including clear references to the existence of the issues of Bessarabia, North Bukovina, the Hertza district, the Serpilor [Serpents] Island, the small isles in the Danube Delta, and the Romanian treasures;

2. Undertaking—during the exchange of the ratification instruments of the treaty—an exchange of verbal notes through which the Soviet side recognizes the existence of these problems and the nullity of the Molotov-Ribbentrop Pact concluded in August 1939;

3. Including the Helsinki Final Act dispositions concerning borders in the text of the treaty;

4. Adopting a declaration of the Romanian Government or Parliament concerning the historical problem of Bessarabia and North Bukovina and the injustice of their incorporation within the USSR, by violation of the extant international right at that time and of current regulations.

Redressing the historical injustice done to the Romanian people and basing the Romanian-Soviet relations on truth and equity—not only on the balance of power—is a condition for true relations of friendship of authentic and lasting consistency. Otherwise, important basic problems will remain unsolved and one would again be faced with lies and insincere, hence nonviable relations, in spite of official statements.

The Russian people is one of the great peoples of the world. Its desire to have friendly countries and governments on its borders is justified. However, this friendship should not be clouded by any reticence or injustice toward others.

Through the sacrifice it has made, Romanian people, even though smaller, is not less worthy of the world's esteem and appreciation. It never took territories from other states. It is an imperative requirement that the two Christian peoples should come to an understanding.

The PNT-cd is convinced that the other Romanian parties and organizations, regardless of orientation, as well as the press and public opinion will support the aforementioned viewpoint and the proposals in this declaration.

The PNT-cd Leadership

'Open Skies' Agreement Detailed

LD1105213891 Budapest MTI in English 1834 GMT 11 May 91

[Text] Bucharest, May 11 (MTI)—As was reported earlier, the Hungarian-Romanian "Open Skies" agreement was signed in Bucharest on Saturday. This is the first such agreement to be signed in Europe. The document was signed by Ferenc Somogyi, administrative secretary of state of the Hungarian Foreign Ministry, and Teodor Melescanu, Romanian secretary of state of the Foreign Ministry. Also present were Brigadier General Janos Deak, deputy secretary of state of the Hungarian Ministry of Defence, Brigadier General Janos Urban, chief of the Air Force of the Hungarian Army, and Horia Opruta, commander of the Romanian Air Force. The agreement was worked out in the course of talks in Budapest and Bucharest between military experts of the two countries' foreign ministries. The agreement makes it possible for the unarmed aircraft of the two countries to fly into the airspace of the other country, under conditions set down in the agreement, four times a year, for flights of three hours or 1,200 kilometres, to collect information and to process these, in a manner also set down in the agreement. Secretary of State Somogyi, in an interview with MTI's correspondent, termed the agreement between the two countries as unparalleled, a confidence-building step of such significance which points beyond bilateral relations. The day of signing the agreement also refers to this, in a symbolic sense, as it was exactly two years ago that American President George Bush proposed to work out an "Open Skies" agreement that would affect a wide sphere of the participants to the disarmament talks, the majority of the European countries. This bilateral agreement also serves to promote the process, Somogyi said. Following the ceremony, Somogyi was received by Romanian President Ion Iliescu. The Hungarian secretary of state forwarded a letter from Prime Minister Jozsef Antall to the Romanian president, in which Antall set forth his views on several important principal issues of bilateral relations. Antall made a proposal for the earliest possible settlement of the existing problems, and expressed his hope that contacts on a political level will also come about in case of appropriate progress.

Foreign Minister Concludes Visit to FRG

AU1405190291 Bucharest ROMPRES in English 1807 GMT 14 May 91

[Text] Bucharest ROMPRES, 14/5/1991—Foreign Ministry Secretary of State Constantin Ene was in Bonn on May 10-11, to conduct official talks at Germany's Foreign Ministry. The consultations between the two foreign ministries were organized upon the German party's initiative and they mainly referred to European political topics.

In the talks with Ambassador Wilhelm Hoynick, the German Foreign Ministry delegate for matters of security and cooperation in Europe, with Ambassador Holik, empowered by the government for matters of disarmament and, in the end, in the interview with Dr. Kastrup, secretary of state with the Ministry of Foreign Affairs, they extensively referred to the activities under preparation on the agenda of the Conference for Security and Cooperation in Europe, and the collaboration between Romania and Germany in those matters. An important place was assigned to the preparations for the meeting of the Council of Foreign Ministers of the CSCE countries due over June 19-20 in Berlin, the first meeting of that political bodies of the CSCE states, set up under the Paris Charter.

The consultations had a very concrete working character, we discussed problems associated with the organization and themes of various CSCE activities, and especially their significance for the future European architecture, showed Constantin Ene in a statement to ROMPRES. "Our colleagues of the German Foreign Ministry are, ust like us, preoccupied by the establishment of most judicious relations between the CSCE activities and those of other European institutions. We extensively presented Romania's outlook on the collaboration among various European institutions, some of them older, other ones more recent, created within the CSCE based on complementarity and efforts of cooperation. Romania and Germany have identical approaches, both parties considering that the structures of new Europe should rely upon a vast network of bilateral agreements ad understandings, various forms of subregional cooperation that should add to the system of already existing European institutions," Constantin Ene said.

"The German party showed interest in our country's ideas, the achievement in the so-called gray zone of Europe—Central and Eastern Europe—of a possible union of collaboration of the countries in the zone, a subregional structure to meet the interests of collaboration among the countries now in transition, with similar problems and also wiAh common traditions of neighbourhood and common interests.

"It was agreed to give a systematic basis to such consultations between the Romanian and German Foreign Ministries."

Iordache Wants Investigation of Securitate Files

AU1305203191 Bucharest ROMPRES in English 2024 GMT 13 May 91

[Text] Bucharest, ROMPRES, 13/5/1991—The first part of the Monday [13 May] afternoon sitting of the Assembly of Deputies was devoted to debates on and endorsement by articles and as a whole of the bill on extending and amending some legal provisions on adoption.

All articles of the bill were passed with some amendments come from the specialty commission and other ones from deputies. Also, the sitting endorsed with a majority the bill on extending and amending legal provisions on adoption.

Followed questions to the government, ministries and departments. Questions were posed to the minister of health, the civil aviation department, the Ministry of Culture, the Bucharest City Hall. National Salvation Front Deputy Claudiu Iordache proposed under a motion underwritten by over 100 deputies the setting up of a Commission of the Assembly of Deputies to investigate the Securitate records of the present parliamentarians, dignitaries of the executive branch and the personnel of the judiciary in order to assess beyond doubt their moral conduct in the years of dictatorship. Also, the commission will analyze the way how some press organs obtained information from such records.

The Assembly of Deputies will resume works in standing commissions on May 15, 14:00 hrs [1100 GMT].

Jovic Comments on 'Security Day'

LD1405040391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1159 GMT 13 May 91

[All quotation marks as received]

[Text] Belgrade, 13 May (TANJUG)—On the occasion of 13 May—Security Day—SFRY Presidency President Borisav Jovic, today, on behalf of the SFRY Presidency and other entities of the Federation, received a delegation of the Yugoslav security services, which was led by Federal Secretary for Internal Affairs Petar Gracanin.

The reception was also attended by Dr. Bogic Bogicevic, a member of the SFRY Presidency; SFRY Assembly President Slobodan Gligorijevic; Federal Executive Council President Ante Markovic; Federal Secretary for Foreign Affairs Budimir Loncar; General Blagoje Adzic, Chief of the General Staff of the SFRY Armed Forces; SFRY Presidency Secretary General Anton Stari; and other personalities.

On behalf of the delegation of the security services, Petar Gracanin, in a speech to mark the occasion, stressed inter alia:

"This year's Security Day is being marked by us in particularly dramatic circumstances, as never before over the past 47 years since the founding of the security service."

In the struggle against fascism, our peoples suffered enormous casualties, and more than 2,000 lives of members of the security service are built into the foundations of our freedom.

In this period, in peacetime, our members have died while carrying out in an honorable and responsible way the security tasks entrusted to them. However, citizens have lived peacefully, they have moved around in safety, they did not fear for the lives of their nearest and dearest and for their property and social goods.

Unfortunately, over the past year a situation has been created in which both our members and citizens are dying, and the most regrettable thing in all this is that these casualties are unnecessary and in vain, Petar Gracanin assessed, and added that:

"Many factors which are beyond the scope of the real influence of the service are having an impact on the extremely exacerbated situation of the country's internal and external security."

The unified security system of the SFRY is seriously threatened, and serious consequences have appeared. However, they could be even more serious and tragic if people continue to be unaware of the conditionality and interdependence of the political, economic, and security situation in individual parts of the country and Yugoslavia as a whole, and if the reality that the country's security is indivisible is not appreciated, and if the republics, besides responsibility for their own security, do not feel themselves to be also responsible for the security of the country as a whole, something that is one of the fundamental currently valid constitutional principles, the federal secretary for internal affairs assessed.

Interrepublican and interethnic relations are at their lowest level, so we are facing armed clashes that may assume enormous proportions and bring about unforeseeable consequences, Gracanin stressed.

In his words, citizens' self-organization bears witness to their lack of trust in organs of authority, so this trust must be restored and consolidated as soon as possible, primarily by political means and respecting the country's legal order until an agreement on future relations in Yugoslavia has been reached in a peaceful and democratic way.

We started reshaping in a timely fashion the work of the internal affairs and security services in keeping with the changes to the political system and criminal legislation. We have strived to lead the service in tune with changes in society, to enable it to operate under the conditions of multiparty system and parliamentary democracy and to set it free from political and influence and limitations and help it become an instrument of a law-governed state in all its aspects.

We believe that the awareness of the mutually vital interests of all the nations and nationalities in these lands will eventually prevail and that the SFRY Presidency's decisions and the FEC's latest conclusions will be consistently implemented. During this, the internal affairs and security services will contribute, in line with their competences and authorizations, as much as possible, as they have always done, Petar Gracanin said.

SFRY Presidency President Borisav Jovic also wished members of the security services a good holiday, pointing out their responsibility in implementing the concrete program of measures of the SFRY Presidency and in my own name, personally, to wish you all members of the Yugoslav security services a happy Security Day.

Jovic first of all recalled that "our security service developed in the brutal conditions of the struggle of our peoples for survival, in opposition to powerful intelligence systems and services of foreign powers, for the purpose of the defense of the integrity, sovereignty, and dignity of the country, from the time when we created it with great sacrifices and renewed it from the ashes, up to the present day when, unfortunately, we must again ensure the elementary conditions for eliminating violence and ensuring peace.

The conditions for carrying out the honorable and responsible tasks of members of the security services have perhaps never in the postwar development been more difficult. The last few months and days have been teeming with dramatic events which have been threatening the personal security of citizens, their property, and peace in the country.

The political-security situation in Yugoslavia is unsatisfactory, Jovic assessed. This is a consequence of the long-lasting political, economic, and constitutional crisis. The paralysis of many services, including the unified security system, is obvious. Arrogant attempts are being made to destroy the whole system of the country's defense and security. All this is seriously hampering our efforts to overcome the crisis that we are facing in a peaceful and democratic way and is threatening to push us into conflicts and civil war.

Over the past few days, Jovic said, the old flashpoints of interethnic conflict and violence have been revived in the country in the most dramatic way, and new ones have been opened up. There have also been human casualties, and a large number of people have been wounded and injured. An indication of the seriousness and complexity of this situation is also provided by the fact that the first casualties have occurred among the ranks of the Yugoslav Peoples' Army and the brutality and violence given vent to in the destructive antiarmy demonstrations, which the whole world is shocked about. All this has been accompanied by a growth in fear and the sense of uncertainty, chauvinism, and hatred among people and nations and by the first large-scale appearances of the exodus of parts of individual nations.

Today, when the whole democratic and civilized world remembers the victory over the darkest fascist forces to which our peoples made an enormous contribution, in our area the ghosts of the past and historically defeated ideas and forces are again being revived. Carried away by nationalism and revanchist blindness, they are trying to resolve the crisis by means of force and apply methods used during World War II which cost us a great deal in blood. We certainly cannot and will not permit this.

The Presidency of the SFRY last week, Jovic recalled, adopted a concrete program of measures for resolving intranational and interrepublican conflicts, starting from the vital need to ensure immediately peace and normal conditions for resolving the Yugoslav crisis. This program must be implemented without delay. Further clashes and bloodshed must be ended immediately, and the conditions ensured for a peaceful and democratic resolution of the crisis. The tasks of all services and also numerous tasks and obligations of the security services stem from this program. The program was adopted unanimously so the security services are also responsible for firmly cooperating to implement it.

Wishing a good holiday to you and to all members of the security organs and services, we expect that at this point in time you carry out—with full responsibility, professionalism, and cooperation—the tasks entrusted to you and thus contribute to our again becoming a stable and secure country," Borisav Jovic, said.

Markovic Interviewed on Current Issues

LD1405174591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1232 GMT 14 May 91

[Text] Bonn, 14 May (TANJUG)—Yugoslavia can survive only as a reformed democratic state, and now it is finally possible to discern the path of a democratic solution to our crisis—this is the gist of [Federal Executive Council, FEC, President] Ante Markovic's interview published in FRANKFURTER RUNDSCHAU today.

The FEC president gave answers to 10 questions recently put in Makarska by reporter Harry Schleicher.

First of all, Markovic positively assessed the "package" of measures which has been unanimously adopted by the state presidency. "I hope that the latest agreements really represent a turning point toward democratic resolution of the crisis," he said.

Asked whether it was necessary to wait such a long time and whether casualties were necessary, Markovic said: "Yugoslavia is a country of paradoxes... When things become absurd, it is easier to find a way out." According to him, the concrete FEC program and he himself made an outstanding contribution to reaching this turning point.

Markovic stressed that "the program of our social changes has its own economic and social price." He warned, however, that the price is endlessly rising because the comprehensive and consistent FEC program is not being implemented. He cited as an example the fact that there were only a few hundred insolvent enterprises when the reform was blocked last September, but since then the number has dramatically increased and thousands of enterprises have practically gone bankrupt.

According to Markovic, Europe made a mistake in this respect, because it adhered to "the tactics of waiting, which, unfortunately, lasted too long."

"Long waiting and at the same time mistaken treatment of Yugoslavia, similar to that of Romania and Albania, has certainly strengthened separatist tendencies in our country.... For a long time I have been warning Europe and the world that this is not good and right tactics, that it is not helping the Yugoslav Government and that it is much more necessary to assume a positive position toward Yugoslavia," he said.

The biggest support for the unity of Yugoslavia would be "to accept the process of its integration with Europe and to offer concrete help to the Yugoslav Government," because "there can be no Yugoslavia if it does not get reformed."

"I deem it realistic to expect that federal elections will be held before the end of this year. This would be a great and considerable contribution to the democratic resolution of the Yugoslav crisis. "I consider it very, very important," Markovic replied when asked about multiparty elections in the whole of Yugoslavia.

"As awareness is growing that no repulic can secede from Yugoslavia by a unilateral decision, and that nobody can introduce by force a new system of internal Yugoslav relations, the possibilities for adequate constitutional changes and federal elections are becoming ripe," Markovic explained.

Fear on the part of Europe and the United States regarding a military coup?

Markovic: "I hope that this refers to the present phase of the crisis. I do not believe, however, that the crisis would be permanently solved in that way."

Markovic also linked that question with democratization. According to him, Yugoslavia will need "at least two election periods until new democratic traditions have been developed and until political interests cease to be identified with the national ones."

"Then the army problem will eventually be taken off the agenda. Until then it will exist, although it is not so threatening. At the moment, it surely is not," Markovic said.

Regarding the disarmament of all those illegally armed in Croatia, Markovic said: "Of course it can be presumed that there will be some who will not surrender weapons. However, in that case they would be considered terrorists, as in Ireland, in the Basque country, or like the Red Brigades. They would be considered common terrorists and treated accordingly."

Asked to comment on Croatian President Tudjman's stand that Croatia "will not accept an occupation," Markovic said: "An occupation is possible only if a foreign army is involved. The Yugoslav Army is not foreign. It is already in Croatia, Slovenia, throughout Yugoslavia. Regarding calls for foreign military help, you will have to ask President Tudjman himself about that."

To the correspondent's remark that "it could be a scenario like in 1968, when Czechosovakia was occupied," Markovic said, "I think that such a thing cannot happen".

Markovic assessed the present shift in the state presidency, where Mesic is replacing Jovic, as a "completely normal, constitutionally envisaged change." Markovic sees no problem in the fact that both himself and Mesic are Croats.

"Anyway, once and for all we have to get used to the fact that it should not be important whether somebody is Croat or Serb, but rather which political option is he advocating. In no way do Mesic and myself advocate the same political option," Markovic concluded.

Presidency Voting Detailed; Bulatovic Abstains

LD1505110991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1047 GMT 15 May 91

[Text] Belgrade, 15 May (TANJUG)—At today's session the SFRY Presidency did not adopt the decision to elect Stipe Mesic as president of the Yugoslav Presidency in the coming one-year mandate.

Mesic's election failed to materialize because he did not obtain a sufficient number of votes. Bogic Bogicevic, Vasil Tuprukovski, Janez Drnovsek, and Mesic himself voted for the election of Mesic. Dr. Borisav Jovic, Jugoslav Kostic, and Vukasin Jokanovic voted against his election as president of the SFRY Presidency.

Momir Bulatovic refused to take part in the voting, expressing his protest because last week the SFRY Assembly failed to proclaim Branko Kostic as the member of the Presidency from Montenegro, something which, in the Bulatovic's words, is leading Montenegro into an unequal position in the SFRY Presidency.

Because Mesic did not obtain a sufficient number of votes, the Presidency session was adjourned and will be resumed after a short break, but this time without the presence of journalists. It is expected that a public statement about this part of the Presidency session will be issued during the day.

Uncertainties Surround 15 May Presidency Session

AU1405195191 Belgrade Radio Belgrade Network in Serbo-Croatian 1700 GMT 14 May 91

[Text] The election and proclamation of the president of the SFRY Presidency is the only point on the proposed agenda of the SFRY Presidency's session scheduled for tomorrow. [15 May]

According to the Rules of Procedure on the work of the highest state leadership, the session was called by SFRY Presidency President Borisav Jovic. The session is scheduled for 1200. According to the established order, Stipe Mesic, representative of Croatia, should assume the post of the president of the SFRY Presidency.

The Constitution states that the presidency elects the president from the ranks of its members. However, like the Rules of Procedure on the work of the highest state leadership, the Constitution does not elaborate on this procedure.

What else should one say about this?

In addition to Borisav Jovic, Stipe Mesic, Bogic Bogicevic, Janez Drnovsek, and Vasil Tupurkovski, tomorrow's session of the SFRY Presidency should also be attended by the deputies to the members of the SFRY Presidency from Montenegro, Vojvodina, and Kosovo. TANJUG has unofficially learned that they took part in the voting on previous sessions of the SFRY Presidency, and is therefore thought that this will be the case tomorrow.

Considering that, as a rule, the Presidency votes publicly, and that the decisions are made with a simple majority,

one could conclude that the president of the Presidency will be elected if he receives at least five votes through the public vote.

Neither the federal Constitution nor the Rules of Procedure of the SFRY Presidency mention or explain what would happen if the president is not elected due to a lack of votes.

However, it is certain that the Presidency will not get its vice president tomorrow. Branko Kostic from Montenegro was supposed to assume this post but, because of the well-known differences among the republics, he was not officially proclaimed member of the SFRY Presidency at the joint session of the SFRY Assembly Chambers held last week. The same happened to Jugoslav Kostic from Vojvodina and Sejdo Bajramovic from Kosovo and Metohija.

Mesic Foresees Period of Cooperation

LD1405114291 Belgrade TANJUG Domestic Service in Serbo-Croatian 0918 GMT 14 May 91

[Text] Zagreb, 14 May (TANJUG)—In this crisis situation it is difficult to prophesy what the year ahead of us will be like, and I, too, cannot give myself the role of a prophet. However, I believe that the coming year will lead to cooperation. This was stated today in a statement telephoned to TANJUG by SFRY Presidency Vice President Stipe Mesic, who tomorrow, at a formal session of the Presidency, in accordance with the established order of rotation, should become president of the highest state leadership in the coming one-year mandate.

For a long time we did not know who wants what, Mesic explains, but now this is clear, because many things have been decoded. Many unverified things have become clear.

This year, Mesic announces, we will ensure a maneuver to reorganize the way in which we live together. The operation could be short or long, but at this point in time this is not the most important thing. I do not think that there will be no crises or flashpoints, but their amplitude is declining, so I am convinced that there will be no armed conflicts and casualties. There will, of course, continue to be a political settling of scores.

We are coming to a more peaceful period and the possibility of a more peaceful negotiation process, and this, in itself, would be a good thing. I am an optimist, Mesic says, because it has been demonstrated that no one can impose solutions on anybody else. It has been demonstrated that it is only through a peaceful and democratic dialogue and through respect for the views of others that solutions are able to be reached for all the peoples and republics and for this country.

I see the future of Yugoslavia, Mesic stresses, as an alliance of sovereign states. I believe that this suits everybody because the interests of everyone can be protected in such an alliance.

Mesic considers that an alliance of sovereign states is the best solution because everyone is criticizing the federation and because no one feels good within it. Therefore, he says, it is logical that a new model is made and not that there is insistence on the old model. However, while this model exists, it would be a good thing to adopt specific items in Markovic's program. In this way, while this model exists, we would ensure the conditions for us to live in a better way and not simply to live from hand to mouth. Indeed, what is most necessary for the functioning of the system during the time that negotiations are going on between us should be taken from this program.

At the end Mesic would say to the citizens of Yugoslavia, he says, the same thing that [Bosnia-Hercegovina Presidency President] Alija Izetbegovic said at the last session of the SFRY Presidency—it is better to negotiate, even if frequently but not with big results, than to engage in effective warfare.

Official: Country's Stability Guarantees Borders

LD1405212291 Belgrade TANJUG in English 1507 GMT 14 May 91

[Text] Belgrade, May 14 (TANJUG)—"The stability of Yugoslavia alone, coupled with (the country's) great prestige in the world, can be a guarantee of the Yugoslav-Italian and other borders," as Deputy Yugoslav Foreign Secretary Milivoje Maksic stated in the federal parliament today.

Commenting a resolution adopted by the Italian Liberals at their congress yesterday, in which they call for a revision of the Osimo Accords, that is, the returning of the Yugoslav Istrian peninsula to Italy, Maksic underscored that the stability of the Yugoslav-Italian border was Yugoslavia's guarantee.

"The question is, however, rightly raised about whether that border could be defended with equal force if a part of Yugoslavia was to break away," Maksic set out.

The Osimo Accords were concluded between Yugoslavia and Italy in November, 1975, and they, among other things, definitively and precisely fix the common border.

Asked about the initiative of Austrian Foreign Minister Alois Mock for "European wise men" to mediate a solution to the Yugoslav crisis, Maksic replied that that would mean that "others would decide about us." Maksic pointed out that no such proposal had officially been presented to Yugoslavia.

The Austrian foreign minister's initiative was rejected by Yugoslav Federal Prime Minister Ante Markovic and the Yugoslav Foreign Secretariat late last week.

Maksic recalled today that the European Community had adopted a resolution on Yugoslavia two months ago.

"That is a quality we accept in full, since it does not mean interference in Yugoslavia's internal affairs," Maksic said.

The deputy Yugoslav foreign secretary declined to comment the statement of Presidency of Yugoslavia Vice-President Stipe Mesic to REUTER that he would call in U.N. peace-keeping forces in case of a civil war in the country, and said that he was not acquainted with the Mesic statement.

"Yugoslavia is not threatening anyone, or endangering peace in Europe, and there is no ground for considering the arrival of "blue helmets" in Yugoslavia," Maksic stressed.

Jovic Meets With Reserve Officers Delegation

LD1405175891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1357 GMT 14 May 91

[Text] Belgrade, 14 May (TANJUG)—SFRY Presidency President Borisav Jovic received a delegation of the Federation of Reserve Officers of Yugoslavia at the Federation Palace today. The members of the delegation informed him about the organization's activities and the difficulties it has encountered in its work. Although, as a result of the situation in the country, the circumstances in which the organization has to operate have become considerably more complicated and difficult, the organization has succeeded in remaining united.

On the SFRY Presidency's attitude to the reserve officers organization, President Jovic stressed that everything possible must be done to ensure that the organization carries out its task unhindered. This includes the provision of necessary financial support. The main task facing all of us, including the reserve officers federation, is to preserve our state, despite the fact that its existence is being questioned by those who are gambling with the fate of our people, Jovic stressed. However, we have no other realistic option but to live together, because people are intermingled to such an extent that they cannot do otherwise than live in one state. Politicians can negotiate and divide the country among themselves, but they must never forget that the people will not accept this, he stated.

The reserve officers know what war and casualties are all about. They must therefore contribute to the efforts to prevent both war and casualities and to find a peaceful solution to the crisis in Yugoslav society, he declared.

During the reception, President Jovic presented the president of the reserve officers federation with the Order of Brotherhood and Unity with the Golden Wreath on behalf of the SFRY Presidency.

In a speech on the occasion, Jovic stressed, among other things, that as an all-Yugoslav organization the reserve officers federation is of exceptional importance for the functioning of our system of people's defense. The reserve officers make up over 80 percent of the Yugoslav People's Army wartime officers corps and their main task, in addition to their role in the sphere of training, lies in those activities which, through cherishing the patriotic feeling of belonging to this country and its Armed Forces, will also help to bring people closer together and consolidate their trust in each other.

This is of great importance, especially today when the country is in the grip of nationalist passions, growing discord among the nationalities and republics, and conflicts that are now threatening the country's survival, he said.

Today, the president of the SFRY Presidency stressed, we have reached a watershed at which the fate of the country's present and future generations will be decided. The profound political and economic crisis in the country calls for democratic and peaceful efforts to find solutions that will be in the interest of all Yugoslav nations and citizens.

The SFRY Presidency counts on all those who value peace, equality, and a democratic future for our country and who are prepared to make efforts to contribute to a peaceful and democratic resolution of our crisis. I am convinced that the reserve officers and members of your organization will continue in their firm support for us, he declared.

On behalf of the Federation of Reserve Officers of Yugoslavia, Lieutenant Colonel General Josip Skupnjak expressed gratitude for the order conferred on the organization.

Poll Shows Croatians Favor Independence

LD1505095791 Belgrade TANJUG in English 0844 GMT 15 May 91

[Text] Zagreb, May 15 (TANJUG)—Only 7.2 percent of 460 citizens polled in Croatia will vote in a referendum for the republic to remain in Yugoslavia as a single federal state, says a telephone poll conducted by the Zagreb daily VJESNIK.

For a different status of Croatia came out 79.5 percent of the polled, most of whom opted for a sovereign and independent Croatian state, writes VJESNIK in a commentary today.

This balance in opinion—between the Croatian and Yugoslav option—cannot essentially be altered by the 13.3 percent who were undecided, the daily says.

A referendum has been scheduled for May 19 in which the citizens of Croatia will choose between a confederal or federal option of the future organization of Yugoslavia. The referendum has been assessed as one of the

ways for reaching a peaceful solution to the Yugoslav constitutional and political crisis.

However, only one-third of the polled (34.1 percent) believe that the referendum will lessen political anxiety in Croatia and Yugoslavia, while 18.3 percent believe that tension will mount.

Police Center Attacked; Rail Service Disrupted

LD1505082391 Belgrade TANJUG Domestic Service in Serbo-Croatian 0641 GMT 15 May 91

[Text] Osijek, 15 May (TANJUG)—The Osijek police administration claims that last night a group of about 40 armed civilian terrorists attacked a police training facility near the village of Erdut, which is situated on the right bank of the Danube [in eastern Croatia] about 30 kms from Osijek.

According to a statement by Josip Raihl-Kir, head of the Osijek police administration, shots were fired at the police from various weapons and the police returned fire. According to Police Chief Raihl-Kir, the exchange of fire lasted about five to six minutes. Chief Raihl-Kir says that no police were injured, but because of the darkness it is not known whether any of the attackers were injured. Chief Raihl-Kir said that the duty commander at the Yugoslav People's Army garrison headquarters in Osijek was immediately informed of this incident.

In addition, last night shots were also heard in Borovo Selo in Vukovar municipality but it was not yet known what the reason for this is and whether someone was injured.

A powerful explosion was also heard in Brsadin village in Vukovar municipality but the consequences are still not known. [Belgrade TANJUG Domestic Service in Serbo-Croatian at 0724 GMT reports from Vukovar that "an explosive device was detonated on the Vinkovci-Borovo railway line near the village of Brsadin last night, as a result of which rail traffic, which had otherwise been established during the day, was again disrupted. Unknown persons laid explosive devices in two places, though only one of the devices exploded.

"Gunfire was again heard last night, but it has not yet been identified where this was.

"Road traffic in the area of the Vukovar municipality is on the whole flowing normally, though buses on the Vukovar-Borovo Selo-Dalj and Vukovar-Bobota routes are not operating."]

Croatia Sends Strong Protest to Serbia

LD1405214991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1838 GMT 14 May 91

[Text] Zagreb 14 May (TANJUG)—The Croatian government has sent a note to the Serbian government protesting its interference in the internal affairs of the Republic of Croatia.

The protest note says: "Official representatives of Serbia and members of parties that are registered or operate in the Republic of Serbia are taking part in activities aimed against the integrity and sovereignty of the Republic of Croatia." The note also asserts that armed incidents against the Republic of Croatia are also being prepared on Serbian territory.

The note states that in Croatia between mid-August 1990 and the beginning of May this year there were 209 cases of the planting of explosives and 109 incidents involving weapons, in which 16 persons died, 15 of them policemen. In addition, 56 persons were injured, most of them seriously; four of these were policemen. "Together with the activities of the outlaws from the ranks of the Serbs in Croatia, terrorist crimes are also being carried out on Croatian territory by citizens of the Republic of Serbia," the note says.

"We possess details of the constant presence of armed members of radical Serbian parties on Croatian territory and of the activities of extremist groups, one of which is currently standing trial in Zagreb. They are as a rule citizens of the Republic of Serbia, which is also where their actions are being masterminded," the note asserts.

It goes on: "The statements and actions of the representatives of the Serbian authorities give tacit and now even open support to the Chetniks and other extremists. The provocative behavior of Stanko Cvijan—a member of the Serbian government, the minister for connections with Serbs outside Serbia—and [Serbian Deputy] Milan Paroski caused the tragedy in Borovo Selo, at the very time when the situation in this region had stabilized somehwat and there were real possibilities for a peaceful solution."

"Therefore, the Croatian government is sending a strong protest to the Serbian government. It is energetically demanding from the Serbian government that it should not, in the future, permit the organization on its territory of actions aimed against the Republic of Croatia and should arrest and bring to trial the criminals who took part in the violent killings of Croatian policemen."

In conclusion, the protest note proposes that solutions should be found through direct negotiations between the members of the Croatian and Serbian governments, or parliamentary delegations, that will help the peaceful resolution of the Yugoslav crisis.

Croatian Special Policemen Arrested in Bosnia

LD1405194491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1651 GMT 14 May 91

[Text] Knin, 14 May (TANJUG)—Three policemen of the Croatian Ministry for Internal Affairs [MUP], who were arrested yesterday in the municipality of Bosansko Grahovo and then transferred to the Knin secretariat for internal affairs [SUP], are members of a special antiterorist unit of the Croatian MUP, the secretary of the Krajina SUP, Milan Martic, revealed this afternoon.

According to Martic, on the basis of the investigation carried out so far, it has been established that the policemen were armed and equipped for special tasks. Their official documents contained only names and surnames. The krajina SUP secretary believe that the names of the arrested policemen and Slavko Turdic (28 years old), Nebojsa Skalic (26), and Ivan Knezovic (33).

The arrested policemen confessed to belonging to a special Croatian MUP unit. Their task was to enable a transport of weapons across Bosnia-Hercegovina and their delivery to Croatian Democratic Community members living in the Capljina area who are MUP reservists. The arrested Croatian policemen were also given the task of preventing the movement of Yugoslav People's Army [JNA] armored units and carrying out assassination attempts on commanders of JNA units. Martic also said that the Army is interested in seeing the result of the investigation, and "we shall consult the Federal Secretariat for Internal Affairs."

Journalists will be informed about fresh findings at a news conference scheduled for this evening. At today's news conference, Martic said that the Croatian MUP has set up its police stations in the village of Unista near Kijevo, and the towns of Livno and Listica, that is, on the territory of Bosnia-Hercegovina. Asked what has happened to the Krajina SUP branch in Bratiskovec, Martic said: "We have formed new branches in the villages of Stabar, Zapuzani, Miranje, Brugud and Boljani."

Croatian, Slovenian Delegations Meet in Zagreb

LD1405195191 Belgrade TANJUG in English 1832 GMT 14 May 91

[Text] Zagreb, May 14 (TANJUG)—The delegations of Croatia and Slovenia, headed by the presidents of the two Yugoslav republics, Franjo Tudjman and Milan Kucan respectively, had talks in Zagreb today on the settlement of the Yugoslav crisis, Croatian Radio has reported.

Today's agreement, according to Croatian Radio, is to serve in the talks of the Yugoslav republics on the future of the country, on the possibility of creating an alliance of sovereign republics or a peaceful break-up of the Yugoslav community.

The report said that Tudjman and Kucan discussed the principles which should regulate mutual rights and obligations [words indistinct].

The meeting was also attended by Yugoslav Presidency Vice- President and Croatia's representative in the collective state leadership Stipe Mesic.

The talks of the leaders of Yugoslavia's six republics continue on Thursday, May 16 in Sarajevo, the capital of Bosnia-Hercegovina.

Slovenia and Croatia [word indistinct] the organization of Yugoslavia as a confederation, Serbia and Montenegro want a federation, while Macedonia and Bosnia-Hercegovina yesterday announced that they have jointly prepared a third possibility for the settlement of the Yugoslav crisis.

Serbian Militia Wound Albanians in Decani

AU1405211791 Zagreb Radio Croatia in Albanian 2030 GMT 14 May 91

[Text] The Serbian militia carried out a massacre against many innocent Albanian citizens in the center of Decani at about 1815 yesterday. After a number of unreasonable provocations against passers-by near the gasoline station, they also began to beat Bekim Kuqi and Mentor Tolaj. The behavior of the police forced these young men to defend themselves. The infuriated police then began to fire on them, and many other militiamen and civilians from Pec came to their aid in this bloody action. In this unequal conflict, Mentor Tolaj, Bekim Kuqi, and Shkelzen Gjevukaj were seriously wounded by the hail of automatic rifle fire, and were sent for intensive care to hospitals in Pec and Pristina.

The militia also fired into the enraged crowd, and other people were probably wounded. A local correspondent reports that this massacre committed by the Serbian militia extended beyond the center of Decani to the villages of Carrabreg and Strellc i Eperm. Many citizens were beaten and maltreated at their workplaces, including the owners of private shops. Because of the situation, pupils at the Frasheri Brothers School in Decani did not attend classes.

After this expression of Serbian chauvinism, the situation in Decani and its district is extremely electric. All Albanian political parties have condemned the massacre, and have said that there is no violence that can divert them from the road of freedom. The Democratic Forum of this commune, issuing an appeal to preserve patience and cool heads, considers that it is necessary for Albanians to defend themselves in cases in which their lives are in danger.

The Kosovo Democratic Alliance and the Kosovo Peasant Party have responded to yesterday's massacre in Decani. In a joint statement, they state that Serbia's repressive policy in Kosovo is further escalating, and that the participation of armed civilians in the massacre of Albanians is a direct call to civil war in Kosovo, for which the current Serbian leadership is responsible. The membership of these two parties also state in their protest that the Albanian people should steer clear of the criminal policies imposed by Serbian state terrorism, and they call for the punishment of the culprits of this crime. The Albanian Christian Democratic Party also strongly protested the Decani massacre.

Serb Foreign Credit Law Deemed Unconstitutional

LD1505044891 Belgrade TANJUG in English 1842 GMT 14 May 91

[Text] Belgrade, May 14 (TANJUG)—The Constitutional Court of Yugoslavia has assessed that the Law on Foreign Credits of the Republic of Serbia is unconstitutional. The court concluded that the Federation and not the republics is in charge of credit relations with foreign countries.

The Yugoslav Government started proceedings against Serbia's Law on Foreign Credits with the constitutional court.

The federal law prescribes that foreign creditpolicy can be established under a social plan of Yugoslavia and by a projection of the country's payment balance.

The Serbian law, adopted recently, envisages that the republic can take credits abroad in line with its policy and plan of development and can issue guarantees for foreign debts.

The Constitutional Court of Yugoslavia over the past few months proclaimed unconstitutional several laws which were passed by the Republics of Serbia, Croatia and Slovenia. The decisions of the constitutional court so far have not been respected nor was their (?rejection) sanctioned.

The committee on Social-Political Relations of the Federal Chamber of the bicameral Yugoslav parliament today passed a law on carrying out the decisions of the Consitutional court of Yugoslavia which were proposed last month in a package of measures by the federal government.

The law envisages punishment of up to five years in prison if the decisions of the Constitutional Court are not carried out.

The delegates of the committee today rejected a proposal of amendments of the delegates of the Republic of Croatia which opposes the possibility of punishing those who do not carry out decisions by the Consitutional Court.

The Federal Chamber Justice Committee today also rejected the proposed amendments.

Kosovo Parties Statement on 'Brutal Massacre'

LD1505220291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1628 GMT 14 May 91

[Text] Pristina, 14 May (TANJUG)—In response to an attack last night on a militia patrol in Decani, the Democratic Alliance of Kosovo and the Kosovo Peasants Party issued a joint statement today "condemning in sharp terms the brutal massacre by the police and armed civilians of Serbian nationality".

The statement goes on to add that "by introducing armed civilians as new and dangerous elements in its repressive policy in Kosovo, Serbia has directly called for civil war in Kosovo". The two parties insist on "severe sentences for the offenders otherwise the Albanians will have to take matters into their own hands".

The two parties call on Albanians in these difficult times to find enough strength to resist provocations from Serbian authorities. They also draw the attention of the federal bodies to their duties and recent statements regarding the need to prevent bloodshed in Kosovo.

The world public is called upon to do its utmost to "obstruct Serbia's criminal policy in Kosovo", the two parties state in conclusion of their statement, which is signed by Ibrahim Rugova and Hivzi Isljami, leaders of the Democratic Alliance of Kosovo and the Kosovo Peasants Party, respectively.

Pristina Albanians Refuse Mobilization Call

AU1405212791 Zagreb Croatia Radio in Albanian 2030 GMT 14 May 91

[Text] After the deterioration of the situation in Croatia, due to no fault of the Croatian people, the mobilization of reserve members of the Yugoslav Army has begun in Kosovo. The branch of the Kosovo Democratic Alliance in the Koder e Trimave [Hill of the Brave—Kosovo Alternative's name for Vranjevac] quarter of Pristina has come out in public against this measure. In its statement to the media, it explains that the decision for the Albanians of this quarter not to respond to the mobilization call was made because many young Albanians in Koder e Trimave have recently been maltreated for no reason by the Serbian police. [words indistinct]

FEC President Ends Talks With Montenegrin Head

LD1505034191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1937 GMT 14 May 91

[Text] Titograd, 14 May (TANJUG)—A resolute return to the reform line represents the minimum requirement for the solution not only of the economic, but of the political crisis in Yugoslavia as well. It is impossible to expect a definitive and positive resolution of the events in the country, or to allow further economic chaos and legal anarchy, with the resulting social and other tensions which have so far exacted a high socioeconomic price in this country, and even a price paid for with blood.

Journalists were told this by Federal Executive Council [FEC] President Ante Markovic today, upon concluding his one-day working visit to Montenegro, after the talks he had behind closed doors with that republic's Prime Minister Mile Djukanovic.

As the condition for a return to a peaceful and democratic solution of the problem, Markovic stressed the need for a comprehensive acceptance of the so-called 11-plus-3 program, because this program, to quote him,

makes possible the reestablishment of peaceful cooperation between all factors in the country on the formation of a legal system that will be compatible with the system in the republics, and will guarantee legal safety for the citizens, organizations, republics and, of course, the country as a whole.

To enable us to embark along this road, the federal prime minister believes that all the republics should cancel—or at least for the time being, freeze—all their decisions that suspended the single Yugoslav market. Markovic also stressed the importance of the establishment of a single payment, monetary and foreign currency system, emphasizing that these incipient single steps in the economy would have a very beneficial effect on the political situation as well—which, to be sure, would in due course reciprocate by providing positive impulses to our economy.

Speaking concretely of the issues discussed today, Montenegrin Prime Minister Milo Djukanovic stressed that once again full support was provided for the implementation of the program of social reforms in Yugoslavia; that is to say, that this republic's positive and principled stands were reiterated with relation to the SFRY Constitution amendments, the 11-plus-3 program, and the like.

During the talks on the program of macroeconomic policy measures, Djukanovic and government members insisted especially that these measures should secure a halt in any further fall in production and the establishment of conditions conducive to its revival. As far as the federal budget is concerned, the basic Montenegrin government criticism refers to the inadequate size of the resources envisaged as compensation for rate of exchange differences, to the cost of social requirements and pension and disability insurance, as well as to the funds planned for the improvement of the banking system.

Prime Ministers Markovic and Djukanovic also discussed the major problem Montenegro is having to look after almost 2,000 refugees from Albania, who are of our origin. Markovic recalled that the FEC had helped with a 10-million dinar payment, but that this was only one fourth of Montenegrin expenditure so far for this purpose. He promised he will try, in cooperation with appropriate international institutions, to have this problem resolved on a permanent basis.

In conclusion, the two parties to the talks noted that on many issues full agreement had been reached during the meeting today, and that coordination will continue within the framework of assembly procedures where differences evidently remained.

Djukanovic informed journalists that in the second round of talks with the FEC president today, on the political aspects of the Yugoslav crisis, Montenegrin President Momir Bulatovic and Montenegrin Assembly President Risto Vukcevic had taken part as well.